



DOING BUSINESS

in «Great Stone»
2025

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INTRODUCTION

The first and main question that an investor wants an answer to when getting to know a potential investment platform is why it is necessary to choose this particular place to do business. The answer lies in identifying the key advantages and distinctive features.

The Chinese-Belarusian Industrial Park Great Stone (hereinafter referred to as the Park) stands out among other economic zones by the following features:

I. Tax and customs preferences

The Park regime provides for an unprecedented set of tax and customs preferences for the region:

- ◆ profit tax exemption - 10 years from the date of profit origin, further - 50% of the general statutory rate (general statutory rate - 20%);
- ◆ 0% tax rate on dividends - 5 years from the year of dividend accrual + offshore duty exemption (i.e. the possibility of receiving dividends without taxation in Belarus);
- ◆ reduced royalty tax rate of 5% until 2027;
- ◆ real estate tax exemption;
- ◆ land tax exemption;
- ◆ reduced income tax rate of 9% for Park employees (instead of the general rate of 13%) + possibility to pay contributions to the Social Security Fund (SSF) based on the average salary in the country (instead of the general rate of no more than 5 average salaries).

For example, with a salary "on hand" of \$1,000 in equivalent, in Belarus it is necessary to pay about \$480 of tax and non-tax payments, in Park - only about \$300 (1.5 times less);

companies is exempt from VAT. These works and services include audit, consulting, marketing, legal, engineering, advertising and others.

II. Territorial location of the Park

- ◆ visa-free entry procedure for foreigners;
- ◆ location on the route of the Moscow-Berlin transport corridor;
- ◆ territorial proximity to the capital of the Republic of Belarus provides access to qualified labour resources;
- ◆ the project is included in the «One Belt – One Road» initiative as a nodal platform;
- ◆ free access to the unified market of the Eurasian Economic Union with a population of almost 200 million people.

III. Government policy and investment security guarantees

- ◆ Park is the main investment project in Belarus in the real sector of the economy, the legal basis and guarantees of which are laid down in the Agreement between the Government of the Republic of Belarus and the Government of the People's Republic of China on the China-Belarus Industrial Park. The Park is open to investors from any country in the world and does not impose any obligations on residents to use Belarusian or Chinese goods, works, services, etc.;
- ◆ work with residents, investors and other entities operating on the Park territory is built by the Park administration according to the «one station» principle;
- ◆ Park residents are legally guaranteed the most favourable economic regime for doing business

in Belarus compared to other regimes (if more favourable regimes are established, they will be applied to Park residents);

- ◆ all guarantees provided by the Belarusian legislation, including international agreements, as well as the grandfather clause - a guarantee that changes in legislation will not affect Park residents (in terms of taxation - at least until 2027);
- ◆ inspections of Park residents are possible only upon agreement with the Park administration.

IV. Infrastructure

- ◆ availability of new developed infrastructure specially built to support the implementation of production investment projects in the Park and the possibility to take into account the special needs of a particular investor;
- ◆ availability of modern warehousing and customs infrastructure created with the participation of China Merchants Group, the world's largest logistics company, which optimises the transferring of goods and export-import procedures;
- ◆ administrative infrastructure on platform: office space, exhibition centre, R&D centres, housing;
- ◆ obtaining land plots with connected communications and utility networks at the discretion of the resident and investor for lease or ownership;
- ◆ there is a National Airport on the territory of the Park, capable of receiving all types of aircraft;
- ◆ two major trans-European railway transport corridors provide excellent links to Europe and Russia, as well as to the Baltic and Black Seas;
- ◆ direct connection to the Trans-Siberian railway;

- ◆ direct connection with the transit international route Chongqing - Xinjiang - Europe;
- ◆ the Moscow-Berlin international motorway (M1/E30) to Russia and Central Europe;
- ◆ the park is located in the very centre of Belarus.

V. Benefits of partnership

- ◆ the Joint Park Development Company not only provides construction of engineering infrastructure, but also provides services to organise the construction of facilities required by the investor;
- ◆ having the ability to do business near to other large companies.

Meanwhile, having read general information about the main benefits, more detailed information is often required to make a decision.

This review has been prepared to provide a more detailed understanding of the business environment

in the Park at all stages of project implementation, including serving as a roadmap for investors as they begin their operations in the Park.

The review was prepared by REVERA lawyers with participation of specialists of the state institution «Administration of the Chinese-Belarusian Industrial Park «Great Stone» and the Chinese-Belarusian Joint Closed Joint Stock Company Industrial Park Development Company» on the basis of the legislation of the Republic of Belarus as of 12 June 2023 (unless otherwise specified in the text).

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1 ABOUT THE GREAT STONE INDUSTRIAL PARK

1.1. General information

Official name: Chinese-Belarusian Industrial Park «Great Stone».

Location: Republic of Belarus, Minsk region, Smolevichi district.

Distance from Minsk, the capital of the Republic of Belarus: 25 km.

Area: 11,760 hectar.

The special legal status of the Park is determined by the following main normative legal acts:

- ◆ Agreement between the Government of the Republic of Belarus and the Government of the People's Republic of China (PRC) on the China-Belarus Industrial Park;
- ◆ Decree of the President of the Republic of Belarus No. 166 of 12.05.2017 «On Improving the Special Legal Regime of the Chinese-Belarusian Industrial Park «Great Stone» and its approved Regulation No. 166;
- ◆ Decree of the President of the Republic of Belarus No. 253 of 05.06.2012 «On the establishment of the Chinese-Belarusian industrial park «Great Stone»;
- ◆ Resolution of the Council of Ministers of the Republic of Belarus of 31.01.2018 No. 87 «On Measures to Implement Decree of the President of the Republic of Belarus of 12 May 2017 No. 166»;
- ◆ Resolution of the Council of Ministers of the Republic of Belarus No. 756 of 16.08.2012 «On Some Issues of the Chinese-Belarusian Industrial Park «Great Stone».

1.2. Legal regulation of the Park's status

At the legislative level, the Park is granted the most favourable legal status than any other economic zones in Belarus. The legal status of the Park implies the provision of a special policy of investment privileges, including land relations, taxation, finance, public procurement, export-import activities, currency regulation, customs preferences, entry and exit to (from) the Republic of Belarus of employees of Park residents, obtaining work permits, inspection and sanitary control of products, communications, design and construction of internal infrastructure and other areas.

1.3. Project Dynamics

- ◆ an intergovernmental agreement on the China-Belarus Industrial Park was signed on 18 September 2011 and ratified by both countries on 30 January 2012; the project of the China-Singapore Industrial Park in Suzhou (PRC) was taken as a model;
- ◆ on 5 June 2012, the Park was granted the status of a special economic zone with a special legal regime aimed at creating favourable conditions for residents and its investors;
- ◆ on 27 August 2012, the Industrial Park Development Company was established;
- ◆ on 26 September 2012, the administration of the China-Belarus Industrial Park was established;
- ◆ on 4 June 2013 the Government of the Republic of Belarus approved the Park's master plan;
- ◆ on 19 June 2014, the official construction of the Park started and by the end of 2014, 2 first residents were registered: subsidiaries of HUAWEI and ZTE corporations;
- ◆ on 31 August 2015, in accordance with the Presidential Directive No. 5, it is guaranteed to preserve and ensure the best legal regime of the Park in comparison with other preferential regimes in Belarus and EAEU countries;
- ◆ on 12 May 2017 Presidential Decree No. 166 «On Improving the Special Legal Regime of the Chinese-Belarusian Industrial Park «Great Stone» approved the Regulations on the Special Legal Regime of the Chinese-Belarusian Industrial Park «Great Stone» (hereinafter - Regulations No. 166). The Regulations significantly expanded the list of privileges and preferences granted to residents and lowered the minimum investment threshold, which opened the way for medium-sized businesses to enter the Park;
- ◆ on 14 November 2019, the World Federation of Free and Special Economic Zones (FEMOZA)

named Great Stone Park as the fastest growing free economic zone in the world. The Park was honoured with the FEMOZA Awards 2019, winning in the category «Fastest Growing Park»;

- ◆ on 11 June 2021, Presidential Decree No. 215 was adopted, which expanded the list of business opportunities for residents and investors of the Park. In particular, in the field of pharmaceutical activities and activities of large investors;
- ◆ on 1 June 2023, Presidential Decree No. 161 was adopted, which simplified the procedure for the Park residents to carry out medical activities.

As of 12 June 2023, there are 108 registered residents in the Park.

1.4. Project Opportunities

The Park is an interstate project aimed at creating favourable conditions for investment and trade cooperation. Convenient geographical location and preferential business procedures provide favourable conditions for entering the EAEU, CIS and European Union markets.

The objectives of establishing the Park are:

- ◆ creation of a modern investment complex with a focus on the development of modern industry as the main sector, and the development of research, trade, logistics, administrative, housing and other sectors as complementary ones;
- ◆ providing the most comfortable conditions for the development of high-tech and innovative industries, including through the development of its territory by attracting to the Park companies engaged in production in various spheres with preferential business regimes;

Projects oriented towards the development of the following industries are being implemented in the Park's territory:

- ◆ electronics;
- ◆ telecommunications;
- ◆ pharmaceuticals (including biopharmaceuticals);
- ◆ medical devices;
- ◆ medical care;
- ◆ laboratory diagnostics;
- ◆ subtle chemistry;
- ◆ biotechnology;
- ◆ engineering;
- ◆ new materials;
- ◆ integrated logistics;
- ◆ e-commerce;
- ◆ activities related to the storage and processing of large amounts of data;
- ◆ socio-cultural activities;
- ◆ research, development, design and experimental and technological works (R&D).

A significant part of the Park's territory is allocated for the development of its industrial and logistics potential. In addition to production-oriented projects, investors are also given the opportunity to develop social sphere projects.

1.5. Park management bodies

The Park's governance mechanism consists of 3 levels:

- 1) Intergovernmental Coordinating Council of the Park;
- 2) Park Administration;

- 3) Joint Park Development Company.

The Intergovernmental Coordinating Council of the Park (hereinafter referred to as the Council) is the supreme management body of the Park.

The functions of the Council are performed by the Commission on Trade and Economic Co-operation of the Belarusian-Chinese Intergovernmental Committee for Co-operation.

The Council consists of joint chairmen, who are the chairmen of the Belarusian and Chinese parts of the Belarusian-Chinese Intergovernmental Commission on Trade and Economic Cooperation, and members, who are appointed representatives of the respective ministries of the parties.

The Council meetings are held in accordance with the need without establishing periodicity. During the meetings the issues of construction and operation of the Park are considered, ways of their solution are developed and implemented after mutual agreement.

The main functions of the Council are:

- ◆ defining the overall strategy for the Park's development;
- ◆ coordinating support for the Park's work;
- ◆ resolving issues that require the involvement of the two governments.

The Park Administration is a state institution established by the Government of the Republic of Belarus. The Park Administration is headed by the Head of Administration appointed and dismissed by the President of the Republic of Belarus. The Park Administration consists of state civil servants and specialists of the Republic of Belarus, as well as a group of Chinese advisors.

The Park administration deals with general management of the Park, implementation of procedures and provision of relevant services to Park

residents in the areas of project review and approval, registration, employment, issuance of certificate of origin, inspection and sanitary control of exported and imported products, customs procedures, investment counselling and other services according to the «one-stop» principles.

The main functions of the Park Administration:

- ◆ direct management of the Park's activities;
- ◆ registration of Park residents;
- ◆ implementation of administrative procedures;
- ◆ complex servicing of business entities on the Park territory.

Joint Park Development Company

The Joint Park Development Company is the Chinese-Belarusian Joint Closed Joint Stock Company «Industrial Park Development Company», whose shareholders are Belarusian and Chinese companies and institutions:

- ◆ China National Machinery Industry Corporation (SINOMACH);
- ◆ China Merchants Group;

- ◆ JSC «Chinese Engineering Corporation SAMS»;
- ◆ Harbin Investment Group;
- ◆ State Institution «Administration of the Chinese-Belarusian Industrial Park «Great Stone Industrial Park»;

Core Functions of the Joint Company:

- ◆ creation of engineering and transport infrastructure and construction of the Park's commercial property facilities;
- ◆ attracting residents and investors to the Park;
- ◆ provision of public utilities (electricity, heat, water supply, wastewater disposal);
- ◆ land and property management.

As an operator of land resources, the Joint Company leases land plots in the Park's territory or alienates them into private ownership to Park residents and investors. This concept allows the investor to be provided with a territory prepared for the implementation of an investment project, thus reducing the investor's financial and time costs for site preparation and the installation of all necessary infrastructure.



2 IMPLEMENTATION OF ACTIVITIES BY RESIDENTS: BENEFITS AND PREFERENCES

The legislation establishes a certain set of benefits and preferences for Park residents. From the day of registration of legal entities as Park residents, a special preferential regime starts to apply to them.

2.1. Tax benefits

Park residents are exempt from:

- ◆ profit tax in respect of profit received from the sale of goods, works, services of own production, produced on the territory of the Park - within 10 years from the date of profit origin.

Thereafter, the general profit tax rate reduced by 50% (as of 12 June 2023, the general profit tax rate in Belarus is 20%) is applied until 2062.

Also, exchange rate differences are not included by Park residents in non-operating income and expenses for the purposes of calculating income tax until 2062;

- ◆ real estate tax on properties located within the Park;
- ◆ land tax on land plots in the Park territory.

Dividends. Dividends accrued by Park residents to their founders (participants, shareholders, owners of

their property), who are residents of the Republic of Belarus and non-residents of the Republic of Belarus - actual owners of income for 5 years (and residents implementing a large investment project - for 10 years) from the year of dividend accrual, are subject to a preferential rate of profit tax, income tax, as well as income tax of foreign organisations not operating in Belarus through a permanent establishment – 0%. These payments are also exempt from offshore tax.

This means that the distributed profits are fully tax exempt for 5 years (and for Park residents implementing a large investment project – for 10 years).

Royalties. Until 1 January 2027, the tax rate on royalties accrued by Park residents to foreign organisations not operating in Belarus through a permanent establishment, in the form of remuneration for information on industrial, commercial or scientific experience (including know-how), payment for a licence, patent, drawing, utility model, scheme, formula, industrial design or process, is only 5%, which is 3 times less than the standard tax rate on royalties.

VAT. Park residents have the right to deduct in full the amounts of VAT charged when acquiring goods (works, services), property rights used for construction, equipping of buildings and structures located on the territory of the Park, but not later than 31 December of

the year following the year of acceptance into services of such buildings and structures.

The following turnovers of the Park residents are exempt from VAT until 2062:

- ◆ on sale of immovable property objects located on the Park territory, including land plots, capital structures (buildings, constructions) with installed in them in accordance with project documentation equipment items, including furniture, inventory and separate items as part of turnover assets, to Park residents, subjects of innovative activity of the Park, Joint Park Development Company;
- ◆ on lease (sublease), financial rent (leasing) of immovable property, including land plots located on the Park territory, to Park residents, subjects of innovative activity of the Park, Joint Park Development Company.

Turnovers on the sale of most of the works and services provided to the Park residents by foreign companies (specified in subclause 1.4, clause 1, Article 117 of the Tax Code of the Republic of Belarus) is exempt from VAT. These works and services include auditing, consulting, marketing, legal, engineering, advertising and others.

2.2. Customs benefits

2.2.1. During the construction stage

The exemption of goods (technological equipment, components and its spare parts, raw materials and supplies) imported into the territory of the Republic of Belarus for exclusively use for the purposes of investment projects connected with construction and equipping of the Park's facilities from import customs duties and VAT charged by customs authorities is envisaged.

2.2.2. During production release stage

Park residents are given the opportunity to use the customs procedure of a free customs zone, which gives

the right to import foreign goods into the Park territory without paying customs duties and taxes, provided that these goods are not exported outside the Park territory and are used by the resident for the purposes of investment project implementation.

(I) Goods manufactured (obtained) from foreign goods placed under the customs procedure of a free customs zone and (II) goods manufactured (obtained) from foreign goods placed under the customs procedure of a free customs zone and EAEU goods acquire the status of foreign goods. As a result, import customs duties will have to be paid when such goods are sold on the market of the EAEU countries. At the same time, the goods placed by the Park residents under the customs procedure of release for domestic consumption, produced with the use of foreign goods placed under the customs procedure of a free customs zone, are exempt from VAT charged by the customs authorities in Belarus.

Park residents have the right not to use the free customs zone procedure. In this case, import duties and VAT will have to be paid when importing foreign goods, but if the required processing criteria are met, the resident's goods will be EAEU goods and will not be subject to import duties.

2.2.3 Other customs benefits

The security of fulfilment of the obligation to pay customs duties, taxes and special, anti-dumping and countervailing duties is not provided for goods placed under the customs procedure of customs transit, if the customs body of departure and the customs body of destination is the customs body of the Republic of Belarus and the declarant of these goods is a Park resident implementing a major investment project.

Park residents implementing major investment projects are entitled to participate in pilot projects and experiments conducted by the customs authorities of the Republic of Belarus aimed at reducing the time and optimising the procedure of customs operations.

2.3. Benefits in the sphere of currency regulation

Park residents have the right to carry out currency operations without regard to the requirements of the currency legislation of the Republic of Belarus and currency restrictions established in accordance with the currency legislation.

Foreign trade operations involving Park residents are not subject to restrictions established by the legislation of the Republic of Belarus on regulation of foreign trade operations.

Authorised funds of the Park residents may be declared and formed at the expense of monetary contributions in foreign currency.

2.4. Benefits in respect of employees of Park residents

Personal income tax is levied at the rate of 9% on income received under employment agreements (contracts) from Park residents (instead of the standardized 13%).

There are exemption from income tax for:

- ◆ financial aid;
- ◆ gifts and prizes;
- ◆ payment of the cost of meals, accommodation, travel, vouchers and air tickets,

received from Park residents by their employees in the amount not exceeding 500 basic units on the date of receipt of income (equivalent to approximately 6,000 Euros) from each source during a calendar year.

Also the following preferences are established in the area of payment of compulsory insurance contributions:

- ◆ contributions to the Social Security Fund are not paid for foreign citizens, temporarily residents (those temporarily staying) in the territory of the Republic of Belarus and attracted for the implementation of investment projects on the territory of the Park;
- ◆ in respect of employees of Park residents, compulsory insurance contributions are not accrued on income that exceeds the average monthly salary of employees in the Republic of Belarus.

Under Belarusian legislation, employers are required to pay 34% of all payments accrued to employees to the Social Security Fund. Park residents are granted the benefit of having to pay such contributions only on income not exceeding the national average wage (which, as of January 2023, was approximately USD 590).

Work-rest schedule of Park residents' employees is determined by local legal acts, which may establish conditions different from those defined by the labour legislation, which do not worsen the situation of employees in comparison with the Labour Code of the Republic of Belarus and other legislative acts regulating relations in the social and labour sphere.

Labour leave for employees of Park residents can be divided into 3 or more parts by agreement between the employee and the employer (as a general rule, employees' leave can be divided into more than 2 parts if it is stipulated by the collective agreement).

Park residents are not required to obtain the following documents in respect of foreign citizens and stateless persons, who are highly qualified workers, not having permanent residence permits in the Republic of Belarus (hereinafter - foreigners) and are engaged by Park residents under labour contracts to perform labour activity on the Park territory for the positions of managers and specialists:

- ◆ permits to attract foreign labour force to the Republic of Belarus;

- ◆ special permits for the right to engage in labour activity in the Republic of Belarus.

Foreigners are exempt from:

- ◆ state tax for the issuance of visas to enter the Republic of Belarus, visas to leave the Republic of Belarus, visas to leave the Republic of Belarus and enter the Republic of Belarus, registration for the period of temporary stay in the Republic of Belarus, extension of temporary stay in the Republic of Belarus, and issuance of temporary residence permits in the Republic of Belarus;
- ◆ consular fees charged for the consideration of foreigners' applications for visas of the Republic of Belarus.

The visa-free procedure for entry into and exit from the Republic of Belarus is established for foreigners who are:

- ◆ attracted by Park residents for the purposes of realisation of investment projects in the Park;
- ◆ founders, participants, shareholders, property owners (employees of founders, participants, shareholders, property owners) of Park residents - legal entities.

Foreigners who do not have a temporary residence permit in the Republic of Belarus are entitled to:

- ◆ stay in the territory of the Republic of Belarus for 180 days in a calendar year;
- ◆ and to foreigners engaged by Park residents for construction of Park objects - the right to register at the place of residence and place of temporary stay in residential premises that are not real estate objects and (or) are not to be included in the authorised fund.

2.5. Benefits in the sphere of land relations

When land plots are being withdrawn in favour of park residents, the latter are exempt from:

- ◆ compensation for losses of agricultural or forestry production caused by withdrawal or temporary occupation of agricultural lands and forest lands located within the Park boundaries;
- ◆ compensatory plantings and compensatory payments for the cost of removed, replanted species of flora, compensatory payments for harmful impact on species of fauna and (or) their habitat.

Also Park residents have the right to alienate (sell, change), lease land plots privately owned by them and provided for the construction of Park objects, as well as to transfer rights and obligations under lease agreements for land plots leased for the above purposes until receiving documents certifying the right to real estate objects located on these plots.

2.6. Benefits in the construction sphere

Park residents are exempt from deductions, payoffs and other payments, the obligation to pay which is established by the legislation of the Republic of Belarus on architectural, town-planning and construction activity, except for deductions for financing of State Construction Supervision inspections, which are established for Park residents in a preferential amount.

When Park residents carry out construction activities on the Park territory:

- ◆ selection of participants of Park objects construction, suppliers of goods for construction of such objects and conclusion of transactions with them are conducted without the need to apply procurement procedures, bidding (tenders), exchange trading, negotiations and other similar procedures;
- ◆ regulation, other restrictions on the definition or procedure of prices and tariffs formation for goods (works, services) in construction are not applied;

- ◆ confirming the compliance in the National System of Confirmation of Conformity of the Republic of Belarus of buildings, structures, design documentation, construction materials and products, works in construction is not required;
- ◆ obtaining certificates of compliance, other supporting documents, without which the implementation of the functions of the customer in construction is prohibited and (or) entails administrative liability is not required;
- ◆ it is allowed to construct facilities, the basic sizes of sanitary protection zones of which exceed the basic sizes of sanitary protection zones of facilities that are objects of impact on human health and the environment, envisaged by the urban planning projects of the Park, provided that the projects of sanitary protection zones are developed and the calculated sizes of sanitary protection zones for these facilities are established;
- ◆ development of pre-project (pre-investment) documentation, cost estimate documentation as part of the project documentation is not required;
- ◆ it is allowed to deviate from the approved urban-planning documentation when developing design documentation for transport and engineering infrastructure objects of the Park, taking into account the actual situation of the Park development, which is confirmed by the Park Administration approval of the developed documentation;
- ◆ development of urban planning projects of the Park, development and coordination of design documentation, its approval, construction, commissioning and operation of the Park facilities can be carried out according to technical standards similar to those in force in the EU or PRC, provided that urban planning projects and design documentation have passed state expert examinations of the Republic of Belarus, without mandatory adaptation of these projects and documentation to the standards in force in the Republic of Belarus;

- ◆ construction of the Park facilities may be carried out in parallel with the development, expertise and approval of design documentation for each of the construction stages after obtaining positive conclusions of state expertise on the architectural project and its approval;
- ◆ state expert appraisals for the construction of the Park's facilities are carried out in a simplified procedure and within a shortened timeframe.

2.7. Benefits related to medical activities

Work and services that constitute medical activity may be performed on the territory of the Park under conditions and in accordance with the procedure defined by the legislation, including Regulation No. 166.

When carrying out medical activities Park residents have the right to import, storage, transport, medical application of unregistered medicines and medical devices intended for medical use on the territory of the Park to citizens of Belarus, foreign citizens and stateless persons (hereinafter - patients) in accordance with the requirements of the Regulation № 166.

Taking into account the requirements of Regulation No. 166, it is allowed to provide the following paid medical services by Park residents to patients who have reached the age of 18 on the Park territory:

- ◆ medical use of unregistered medicines and medical devices;
- ◆ use of medical care methods that are not approved for use in accordance with the procedure established by law.

The specified medical activity is carried out by Park residents on the basis of the Park Administration permission. The permission is issued by the Park Administration if the Park resident has:

- ◆ premises, equipment, transport necessary for carrying out such activities;
- ◆ the person responsible for the carrying out medical activities;
- ◆ higher and (or) secondary specialised medical education, as well as permission documentation issued by authorised bodies and organisations of a foreign state included in the list according to Annex 4 to this review, confirming that the employees providing medical services have the right to do this;
- ◆ an employee performing maintenance and repair of medical devices in the staff, or an agreement for maintenance and repair of medical devices with an organisation providing services for installation, adjustment, maintenance and repair of medical devices;
- ◆ the list of works and services that constitute the medical activity performed by the Park resident and the list of procedures (examinations, manipulations) related to these works and services approved by the Park resident.

The Park administration has the right to appoint an expert examination of compliance of the Park resident's capabilities to perform the specified medical activity.

2.7.1 Procedure for provision of medical services to patients by Park residents

Medical services are provided by Park residents to patients on the basis of a written contract, the form of which is established by the Park Administration.

Park residents develop and approve internal regulations for patients, as well as create conditions for unimpeded familiarisation of patients with the content of these regulations.

Provision of medical services to patients is carried out in the Park in the presence of medical indications and absence of medical contraindications by disease profiles, conditions, syndromes on the basis of

documents of the Park Administration agreed with the Ministry of Health, normative legal acts of the Ministry of Health, establishing the order of organisation and provision of medical care by disease profiles, conditions, syndromes, as well as methods of medical care approved by the Ministry of Health.

2.7.2 Procedure for the use of unregistered medicines and medical devices by Park residents

Provision of medical services with the use of unregistered medicines and medical devices, as well as with the use of methods of medical care not approved for use in accordance with the procedure established by the legislation is carried out by the Park residents without obtaining a licence for medical activity, provided that the requirements of Regulation No. 166 are met.

Also, no licence is required for the use by Park residents of registered medicines and medical devices, use of methods of medical care approved for use in accordance with the procedure established by the legislation, if these medicines, devices and methods are an integral part of medical services rendered by Park residents using unregistered medicines and medical devices, as well as using methods not approved for use in accordance with the procedure established by the legislation.

Otherwise, Park residents are required to obtain a licence for medical activity in accordance with the legislation.

Unregistered medicines and medical devices used by the Park residents on the Park territory shall comply with the following requirements:

- ◆ be intended by the manufacturer to provide medical care;
- ◆ permission documentation (including registration, regulatory and other documentation) must be issued by authorised bodies and organisations of the Republic of Belarus or a foreign country included in the list according to Annex 4 to this review;

- ◆ the results of trials (tests), patents, other medical and technical documentation of these medicines and medical devices are available;
- ◆ medicines and medical devices comply with safety, efficacy and quality requirements and are authorised for medical use.

Approval for medical use of these medicines and devices and confirmation of their compliance with safety, efficacy and quality requirements is carried out by the Park Administration.

2.7.3 Procedure for the use by Park residents of medical care of methods that are not approved for use in accordance with the procedure established by legislation

The specified methods of medical care can be applied by the Park resident only if there is permission documentation (registration, regulatory), issued by the authorised bodies and organisations of the foreign country, included in the list according to Appendix 4 to this review.

The decision on application of the specified methods of medical care is made by the Park resident only if there are medical indications and no medical contraindications with the written consent of the patient.

2.7.4 Benefits during clinical trials of medical devices

Park residents have the right to independently choose health care organisations (bases) for clinical trials (tests) from among the relevant state health care organisations conducting clinical trials (tests) of medical devices on humans (without the procedure of obtaining approval of the Republican Unitary Enterprise «Centre of Expertise and Tests in Health Care» of the list of health care organisations for clinical trials (tests) and without issuing referrals to health care institutions for clinical trials). In this case, it is enough to conduct clinical trials (tests) in one such health care organisation.

2.8. Other benefits and preferences

- ◆ Park residents are exempted from paying state fees for issuing and one-time extension of permits for attracting foreign labour force to the Republic of Belarus, special permits for the right to engage in labour activity in the Republic of Belarus to foreign citizens and stateless persons. These documents are issued to foreign workers of the Park residents in an accelerated procedure;
- ◆ When forming prices (tariffs) for goods (works, services) of own production, sold by Park residents in the territory of the Republic of Belarus, as well as when exporting them, free prices (tariffs) are applied;
- ◆ Park residents submit state statistical reporting data according to the minimum list approved by the Council of Ministers of the Republic of Belarus;
- ◆ Park residents have the right to use electronic document management in the course of their activities without the need to maintain paper-based document management;
- ◆ In case of bankruptcy of Park residents, subsidiary liability for their obligations cannot be imposed on the property owner, founders (participants) or other persons, including the head, who have the right to give instructions binding on the legal entity or the ability to otherwise determine its actions (except for cases when bankruptcy is caused by the actions of such persons, resulting in their criminal liability);
- ◆ Park residents have the right to carry out procurement at their own expense without application of legislation on procurement at their own expense;
- ◆ Park residents have the right to conclude convertible loan agreements, agreements on granting an option to conclude a contract and option agreements between themselves and (or) with third parties.

2.9. Extraterritorial application of benefits and preferences of Park residents

For investment projects that comprise several production sites and (or) manufacturers, including those outside the Park, there is the possibility of extraterritorial application of benefits and preferences established for Park residents. This extraterritorial principle may be interesting, for example, for production, when part of the technological process is carried out on the territory of the Industrial Park, and the final product is produced outside the territory of the Park.

A legal entity of the Republic of Belarus, not a resident of the Park, that meets at least one of the requirements can apply for the application of an extraterritorial regime for the use of benefits and preferences:

- 1) a share in the authorized capital (shares) in the amount of more than 25% belongs to a legal entity that is a founder (participant) of a resident of the Park and owns a share in the authorized capital (shares) of such a resident in the amount of more than 25%;
- 2) being a unitary enterprise established by a resident of the Park;
- 3) more than 50% of the shares (shares in the authorized capital) belong to a resident of the Park;
- 4) who owns more than 50% of the shares (shares in the authorized capital) of a Park resident.

The conditions for a non-resident legal entity to apply the benefits and preferences of a Park resident are the simultaneous fulfillment of the following requirements:

- ◆ carrying out activities aligned with the main activities of the Park;
- ◆ part of the production process of goods (works, services) is carried out in the Park;

- ◆ in the production of goods (works, services), financial and (or) material resources of a Park resident, goods (works, services) produced by such a resident, property rights belonging to such a resident are used, while the share of these resources, goods (works, services) and property rights must be at least 25% of the production costs of this legal entity;
- ◆ Signed agreement with the Park Administration regarding the conditions of the application of benefits and preferences provided for residents of the industrial park.

In other words, we are talking about groups of companies, when within such a group there is both a legal entity that is a resident of the Park and a legal entity that is not a resident of the Park, and all of them are involved in the technological process.

The right to apply benefits and preferences provided for residents of the Industrial Park based on the principle of extraterritoriality is not universal; it is granted individually based on a decision of the Council of Ministers of the Republic of Belarus, which may introduce additional conditions of the application of benefits and preferences based on the principle of extraterritoriality.

2.10. Major investment projects

As we indicated above, on the territory of the Park there is also a separate category of investment projects implemented by Park residents, which includes major investment projects.

A major investment project is an investment project where the volume of investment is equivalent to 50 million US dollars or more, provided that investments in the specified volume are made within 5 years from the date of signing an agreement with the Park Administration on the conditions of activity in the Park.

Residents implementing major investment projects are provided with additional benefits and preferences:

◆ in the field of customs regulation:

- ◇ exemption from the obligation to pay customs duties, taxes and special, anti-dumping, countervailing duties:

in relation to goods placed under the customs procedure of customs transit, if the customs authority of departure and the customs authority of destination is the customs authority of the Republic of Belarus and the declarant of these goods is a resident of an industrial park implementing a large investment project;

in relation to goods produced with the features provided for in Art. 121 and 122 of the Customs Code of the Eurasian Economic Union, the declarant of which is a resident of an industrial park implementing a major investment project.

- ◇ goods imported by a Park resident implementing a major investment project may be declared by such a resident for release before submitting a declaration for goods with the features provided for in Art. 120 of the Customs Code of the Eurasian Economic Union, in accordance with the customs procedure of the free customs zone;

- ◇ the right to participate in pilot projects and experiments conducted by customs authorities aimed at reducing time and optimizing the procedure for performing customs operations.

◆ in the field of land legal relations:

the right to apply for land plots on more favorable terms, since the provision of land plots to a joint company into private ownership for subsequent provision to a Park resident implementing a major investment project is carried out without charging a fee;

◆ in the field of tax legal relations:

The validity period of the 0% corporate income tax, personal income tax, tax on income of foreign organizations, on dividends and equivalent kind of income to them is 10 years instead of 5 years.

An investment project is recognized as major starting from the date of signing an agreement, covering a fulfillment of the investment project, with the Park Administration on the conditions of activity in the Park, until the date the Park Administration makes a decision on non-compliance by such a resident with the criteria of a major investment project.



3 OBTAINING RESIDENT STATUS

Investors, regardless of whether they are residents of the Republic of Belarus or another state, are subject to the same legal regime and have equal rights when setting up and doing business in the Park.

At the same time, the right to carry out activities as a resident of the Park is granted only to legal entities of the Republic of Belarus. Therefore, foreign investors or individuals can implement an investment project only through participation in legal entities of the Republic of Belarus.

3.1. Conditions for obtaining resident status

Obtaining the Park resident status is a separate procedure, for the implementation of which the subject needs to fulfil a number of conditions.

3.1.1 Location

Only legal entities which are established on the territory of the Republic of Belarus with a location on the territory of the Park can become residents of the Park: i.e. in order to obtain the resident status it is necessary the company to be located on the territory of the Park.

An established company may be set up directly on the territory of the Park, in which case no change of legal address will be required to obtain the resident status.

The procedure for establishing and registering a legal entity in the Park is given below.

An existing organisation, which was registered by other registering bodies than the Park Administration, can also obtain the Park resident status. However, before submitting documents for obtaining the resident status, such an organisation should notify the Park Administration about the change of location.

As part of the establishment and registration procedure, legal entities of the Republic of Belarus must:

- ◆ determine the name;
- ◆ determine the amount of the authorised fund (formation of the authorised fund is generally allowed within 1 year from the moment of state registration of a legal entity; the minimum amount of the authorised fund is set only for joint stock companies);
- ◆ form governing bodies.

Belarusian legislation provides for the following main organisational and legal forms of commercial organisations:

Legal form	Abbreviated name
Limited Liability Company	LLC
Limited Liability Company	ALC
Joint-stock company (open and closed)	OJSC, CJSC
Unitary enterprise	UE

Sequence of actions when registering a commercial organisation in the Park:

- 1 Founders' decision to establish an organisation on the Park territory
- 2 Choice of organisational and legal form of a legal entity
- 3 Approval of the name
- 4 Formation of governing bodies, approval and signing of documents by the founders of the established commercial organisation
- 5 Submission of documents to the Park Administration (registering body) and state registration of the commercial organisation on the day of submitting, receipt of the certificate
- 6 Production of a seal of a commercial organisation (the requirement to have a seal is not obligatory, it is implemented at the choice of the organisation)
- 7 Formalisation of employment relations with the head or managing organisation and chief accountant or an organisation providing accounting services
- 8 Opening a current account with a bank
- 9 Conclusion of a contract for depositary and consulting services. Registration of shares in the authorised state body (additional stage for joint stock companies)

Costs of registering a commercial organisation	
Mandatory costs	
Action	Cost
State duty for the registration of an organisation.	1 Basic value ≈ 12 euros
Formation of the authorised fund of a commercial organisation to be established.	There is no minimum amount of the authorised fund. Exceptions: UAB ≈ 1200 Euro OAO ≈ 4800 Euros.

Costs of registering a commercial organisation	
Optional costs	
Production of a seal (optional)	≈ 20 Euros
Legalisation, translation of an extract from the trade register of a foreign country into Russian (Belarusian) and notarisation of the translator's signature.	Translation of one page into Russian (Belarusian) language - 6-12 Euro depending on the language of translation. Notarisation of one translator's signature ≈ 7 Euros
Translation of the identity document into Russian (Belarusian) and notarisation of the translator's signature.	Translation of one page into Russian (Belarusian) language - 6-12 Euro depending on the language of translation. Notarisation of one translator's signature ≈ 7 Euros.
Legalisation, translation of the power of attorney into Russian (Belarusian) and notarisation of the translator's signature (in case of transfer of powers under a power of attorney).	Translation of one page into Russian (Belarusian) language - 6-12 Euro depending on the language of translation. Notarisation of one translator's signature ≈ 7 Euros.

Procedure for changing the location of a legal entity

The procedure of changing the location of a legal entity to the Park territory is carried out in a notification procedure and requires the following actions:

◆ notification of Park Administration:

a) within 10 working days of the change of location - a notice must be submitted to the Park Administration;

b) within 10 working days from the date of change of location - the tax authority at the previous location;

c) within 5 working days from the date of change of location - department of the Social Protection Fund at the previous location;

d) within 10 days from the date of change of location - Republican Unitary Enterprise «Belgosstrakh».

◆ amendments to the licence within 1 month from the date of change of location, if the legal entity carries out the licensed type of activity;

- ◆ notification of employees and, if necessary, obtaining their consent to the transfer to another location;
- ◆ notification of other parties, including counterparties and the servicing bank.

When carrying out state registration of business entities on the Park territory it is allowed to specify only the Park name as the location until the completion of street construction and naming them in accordance with the established procedure.

3.1.2. Realisation of the investment project

The second condition for obtaining the Park resident status is the requirement for a legal entity to implement (plan) an investment project of a legally defined direction on the Park territory.

The investment project of a legal entity applying for the Park resident status must simultaneously meet the following criteria:

Financial criterion	Directional criterion*
Declared investment volume - not less than USA 500,000 (when investing for a period not exceeding 3 years) / not less than USA 5,000,000 (when investing for a period exceeding 3 years)	Creation and development of industries in electronics and telecommunications, pharmaceuticals (including biopharmaceuticals), medical devices, medical services, laboratory diagnostics, fine chemistry, biotechnology, mechanical engineering, new materials, integrated logistics, e-commerce, activities related to the storage and processing of large amounts of data, and social and cultural activities.
In the case of a project for research, development and experimental design and experimental technological works (R&D) - not less than USD 500,000	R&D, application of 5G and artificial intelligence technologies in the specified areas of the Park's activities.

* If the company wishes to carry out another type of activity or determine a different investment volume, it should contact Park Administration with a corresponding proposal.

3.2. Procedure for obtaining the Park resident status

3.2.1. Preparation of necessary documents

The following documents are required to obtain the Park resident status.

1. Application

The application is filled in according to the form approved by the Head of the Park Administration, specifying, among other things, the investment project, the direction and type(s) of economic activity planned to be carried out in the Park territory, the amount and terms of investment. The application form is given in Appendix 1 to the review.

2. Originals and copies of the state registration certificate and founding documents certified by the head of the legal entity or a person performing his/her duties

The founding document is the charter of the legal entity.

3. Justification of the investment project

Justification of the investment project is a document reflecting the main aspects of the investment

project planned for implementation and is prepared according to the form approved by the Head of the Park Administration. Justification of the investment project should be approved by the head of the legal entity or other authorised person. The form of the investment project justification is given in Appendix 2 to the review.

Justification of the investment project should include:

- ◆ description of the project and products;
- ◆ market analysis, marketing strategy;
- ◆ production plan;
- ◆ investment plan;
- ◆ assessing the efficiency of project implementation;
- ◆ project implementation schedule.

4. Draft agreement on the terms and conditions of activities in the Park

The project should be submitted in the form approved by the Head of the Park Administration. The draft agreement should be signed by the head of the legal entity or other authorised person. The form of the draft agreement is given in Appendix 3 to the review.

3.2.2. Consideration of documents and decision making

The decision to register a company as a Park resident is made by the Park Administration.

The term of documents review and decision making on registration of a legal entity as a Park resident or refusal to register is not more than 5 working days.

The grounds for refusal to register a legal entity as a Park resident are:

- ◆ processing of the application and attached documents in violation of the established requirements;
- ◆ failure to submit all documents required for registration;
- ◆ non-compliance of the location of the legal entity with the condition of location in the Park;
- ◆ non-compliance of the economic activity planned to be carried out by the legal entity on the Park territory and (or) the declared investment volume with the main directions of the Park's activity and (or) investment volumes, unless the Park Administration makes another decision;
- ◆ non-compliance of the economic activity planned to be carried out by the legal entity on the Park territory with the goals and main objectives of the Park's activity;

- ◆ absence on the Park territory of a free land plot possessing the characteristics necessary for the investment project implementation specified in the application for registration as a resident;
- ◆ if the investment project planned for implementation provides for activities prohibited to be carried out on the Park territory.

The date of registration of a legal entity as a Park resident is the date when the Park Administration adopts the relevant decision.

3.3. Deprivation of the Park resident status. Loss of residency

Termination of residency in the Park is possible in cases of:

- ◆ deprivation of residency status;
- ◆ loss of residency status.

Deprivation of status implies termination of residency due to volitional actions of the Park resident himself or by the Park Administration.

Loss of resident status is usually associated with circumstances beyond the control of the subjects and occurs as a result of certain objective circumstances.

Deprivation of residency status		Loss of resident status
Cases	<ol style="list-style-type: none"> 1. Park resident's application. 2. Failure to fulfil or improper fulfilment of obligations by the Park resident in accordance with the agreement on conditions of activity in the Park and Regulation No. 166. 3. Non-compliance of the Park resident with the conditions required for obtaining the resident status. 	<ol style="list-style-type: none"> 1. Liquidation of a legal entity registered as a Park resident. 2. Reorganisation of a legal entity registered as a Park resident in the form of merger, division, joining it to another legal entity. 3. Termination of the agreement on conditions of activity in the Park. In this case the legal entity loses the Park resident status from the date of termination of such agreement. 4. Change of location of a legal entity registered as a Park resident, if its new location is outside the Park territory. 5. Exclusion from the Park boundaries of the territory with the location of this legal entity. 6. Park Liquidation.
Decision-making procedure	The decision is made by the Park Administration within 1 month from the moment of accrual of the above-mentioned grounds	Within 1 working day the Park administration makes a corresponding entry in the Park residents register and informs state authorities about it in writing within three days.
Consequences	In case of deprivation of the status on the grounds specified in p.3, the legal entity loses the right to benefits provided to residents from 1 January of the year in which the conditions are not met and until the decision on deprivation of its status of the Park resident is made, and is obliged to pay taxes and other payments stipulated by the legislation for the specified period.	The loss of status does not entail any negative property consequences for the subject.

Deprivation or loss of the Park resident status is the basis for termination of the agreement on the conditions of activity in the Park.

In case of deprivation or loss of the Park resident status the legal entity is obliged to return the resident registration certificate to the Park Administration within 3 working days from the date of deprivation or loss of the Park resident status.



4 BENEFICIAL CONDITIONS FOR OTHER PERSONS TO CARRY OUT ACTIVITIES IN THE PARK TERRITORY

Benefits and preferences are provided not only to the Park residents, but also to other persons carrying out activities on the Park territory.

4.1. Investors' activities: benefits and preferences

Investors are defined as persons who do not have the Park resident status, but who finance the construction or equipping of Park facilities, the construction of which is carried out in accordance with the urban planning documentation.

Investor status is intended for persons planning to carry out activities in the Park that do not fall under the main activities of the Park. For example, if a person plans to build residential houses or an amusement park on the Park territory.

Investors of the Park can be the following categories of persons investing on its territory:

- ◆ individual entrepreneurs of the Republic of Belarus;
- ◆ legal entities of the Republic of Belarus;
- ◆ foreign legal entities.

Investor status is confirmed by the Park Administration.

Investors of the Park have the opportunity to use in aggregate the benefits provided within the special legal regime established by the Regulation No. 166 in relation to the Park investors, as well as the benefits applicable to organisations located in rural areas (Decree of the President of the Republic of Belarus No. 6 of 07.05.2012 "On Stimulation of Entrepreneurial Activity in the Territory of Medium and Small Urban Settlements, Rural Areas").

4.1.1. Benefits in the field of land relations and construction

Park Investors:

- ◆ has the right to import goods (technological equipment, components and spare parts for it, raw materials and supplies) for exclusive use in order to implement investment projects providing for the construction and equipping of the Park facilities without paying import customs duties (taking into account international obligations of the Republic of Belarus) and VAT;
- ◆ have the opportunity to lease a land plot or acquire it into private ownership without an auction. The plots are transferred by decision of the Joint Company

and can be provided at any stage of development of the Park territory;

- ◆ have the right to alienate (sell, change), lease land plots privately owned by them and provided for the construction of Park objects, as well as to transfer rights and obligations under lease agreements for land plots leased for the above purposes until the documents certifying the right to capital structures (buildings, constructions) located on these plots are received;
- ◆ make special-purpose deductions to finance inspections of the Department of Control and Construction Supervision of the State Committee for Standardisation at a preferential rate, namely in the amount established for objects financed from the republican and (or) local budgets, including state targeted budget funds, as well as state off-budget funds;
- ◆ are exempt from other deductions, payments and other payments, the obligation to pay which is established by the legislation of the Republic of Belarus in the field of architectural, town-planning and construction activities;
- ◆ are exempt from compensation for losses of agricultural and (or) forestry production, caused by withdrawal or temporary occupation of agricultural lands of agricultural purpose and forest lands of the forest fund, located within the Park boundaries and intended for implementation of investment projects within its boundaries, as well as
- ◆ are exempt from compensatory planting and compensation payments for the cost of removed, replanted species of flora, compensation payments for harmful impact on species of fauna and (or) their habitat;
- ◆ has the right not to develop pre-project (pre-investment) documentation in respect of the construction object;
- ◆ has the right to carry out the construction of the Park facilities in parallel with the development of the necessary project documentation in accordance with the established procedure.

4.1.2. Benefits in the field of labour relations and migration

In the area of labour relations and attraction of foreign labour, the Park's investors have the following benefits and preferences:

- ◆ has the right to attract foreign citizens and stateless persons who do not have permanent residence permits in the Republic of Belarus for labour activities in the Republic of Belarus under labour contracts on the basis of permits for attracting foreign labour force to the Republic of Belarus and special permits for the right to engage in labour activities in the Republic of Belarus;
- ◆ are exempt from paying state duty for issuing permits to attract foreign labour force to the Republic of Belarus and special permits for the right to engage in labour activities in the Republic of Belarus to foreign citizens and stateless persons;
- ◆ are exempt from mandatory pension and social insurance contributions on payments accrued in favour of foreign employees;
- ◆ foreign employees of the investor, as well as founders, participants, shareholders, owners of the investor's property, are subject to a visa-free procedure for entry and exit from the territory of the Republic of Belarus, based on lists of persons submitted to the State Border Committee, with the right for such persons to stay in the territory of the Republic of Belarus for 180 days per calendar year;
- ◆ labour leave for Park investors' employees may be divided into 3 or more parts by agreement between the employee and the employer.

4.1.3. Other benefits and preferences

The Park investors, who are residents of the Republic of Belarus, are also subject to the list of benefits and preferences provided for business entities registered in the territories of medium-sized, small urban settlements, rural areas (for more details see Section 4.3. of this review).

Foreign investors are also guaranteed unimpeded transfer outside the Republic of Belarus of profits received in the territory of the Republic of Belarus as a result of investment activities in the Park.

4.2. Obtaining the Park investor status

Obtaining the Park investor status is carried out by issuing a confirmation of the Park investor status by the Park Administration.

The acknowledgement is issued on a specially prescribed form.

4.2.1 Submission of documents to obtain investor status

For the purposes of obtaining confirmation of the investor status the applicant submits the following documents to the Park Administration:

1. Application

The application shall be completed on a form approved by the Park Authority (Appendix 5 to this review), with details of:

- ◆ investor;
- ◆ investment project;
- ◆ term for the investment project implementation;
- ◆ directions and types of economic activities planned to be carried out on the Park territory;

- ◆ the amount of the investment;
- ◆ term for the investment.

2. Originals and copies of founding documents and state registration certificate certified by the head of the legal entity or individual entrepreneur - for residents of the Republic of Belarus

The founding document for a legal entity of the Republic of Belarus is the charter.

Legalised extract from the commercial register of the country of establishment or other proof of the legal status of the organisation in accordance with the legislation of the country of establishment, or a notarised copy of these documents - for foreign legal entities.

The extract must be dated no later than 1 year from the date of application.

3. Justification of the investment project in any form

In this case, the justification of the investment project should include:

- ◆ investment plan (including investment volumes and terms);
- ◆ types of economic activities planned on the Park territory;
- ◆ types and volumes of goods (works, services) to be produced and justification of the necessity of their production;
- ◆ the expected amount of revenue from the investment project implementation;
- ◆ other technical and economic parameters.

The form of the investment project justification for residents, which is given in Appendix 2 to this review, may be taken as a basis for the investor to prepare the investment project justification.

4.2.2. Consideration of documents and decision making

Consideration of documents and decision making on issuance of investor status confirmation is carried out by the Park Administration not later than 3 working days from the day of documents submission.

Confirmation of the investor status is drawn up in two copies, one of which is provided to the investor, and the second one is to be kept in the Park Administration.

A copy of the investor status confirmation shall be sent to the applicant on the next working day following the day of the decision to issue it.

An applicant may be denied confirmation of investor status in the following cases:

- ◆ the subject of the investment project is an activity that is partially or fully unrelated to the construction or equipping of the Park;
- ◆ all documents necessary for obtaining confirmation are not submitted;
- ◆ submitted documents and (or) information that do not meet the requirements of the legislation, including false, forged or invalid documents.

4.2.3. Change and cancellation of investor status

The Investor is obliged to inform the Park Administration in writing about:

- ◆ discontinuation of funding for the construction or equipping of the Park facility;
- ◆ on changing the timeframe of the investment project implementation.

The corresponding notification is sent to the Park Administration not later than the working day following the day of occurrence of the mentioned circumstances.

Based on the information received, the Park Administration makes a decision on changing the term of the issued investor status confirmation or its cancellation.

The grounds for making a decision on cancellation of investor status confirmation are:

- ◆ provision by the investor of unreliable information and (or) documents to obtain confirmation of the investor status;
- ◆ termination of financing of construction and (or) equipping of the Park facilities;
- ◆ changes in the subject of the investment project, as a result of which the subject of the investment project is performance of works (rendering of services), partially or completely unrelated to the construction and (or) equipping of the Park object.

Cancellation of the issued confirmation of investor status entails the loss of such status by the investor:

- ◆ in case the investor provides unreliable information and (or) documents to obtain confirmation of the investor status - from the date of issuance of confirmation of the investor status;
- ◆ in other cases - from the date of cancellation.

4.3. Benefits in rural areas

Taking into account that the territory of the Park belongs to the territory of rural areas, the investors of the Park, other persons who were not its residents, are entitled to claim a set of benefits established by the legislation for rural areas.

In this case, benefits are provided in accordance with the Decree of the President of the Republic of Belarus No. 6 of 07.05.2012 "On Encouraging Entrepreneurial Activity in the Territory of Medium-sized and Small Urban Settlements, Rural Areas" (hereinafter - Decree No. 6).

! Important: The benefits provided by the above Decree do not apply to residents of the Park.

Benefits under the Decree are granted for a period of 7 calendar years from the date of state registration of a commercial organisation claiming benefits.

4.3.1. Income tax:

Commercial organisations are exempt from profits tax for 7 calendar years from the date of state registration provided that the following conditions are simultaneously met:

- ◆ Registration in rural areas and carrying out activities on production of goods (execution of works, provision of services) in these territories;
- ◆ Profit is derived from the sale of goods (work, services) of own production, i.e. in the presence of a certificate of own production;
- ◆ Production of goods (works, services) is carried out on fixed assets and with the help of labour of employees located in rural areas;
- ◆ Separate accounting of revenue from the sale of goods (work, services) of own production.

4.3.2. Property tax:

Exemption from property tax is granted for 7 calendar years from the date of state registration of the company if the following conditions are met:

- ◆ Registration in rural areas and carrying out activities on production of goods (fulfilment of works, rendering of services) in these territories;
- ◆ In the previous quarter the commercial organisation sold goods (works, services) of its own production;
- ◆ The real property is located in a rural area.

! Note: The provision of property for rent (leasing) or other compensated and gratuitous use is not the sale of goods (work and services) of own production. Thus, where an organisation is engaged solely in the provision of property for rent, it is not entitled to apply the property tax exemption.

4.3.3. Exemption from local taxes and fees

4.3.4. Exemption from import customs duties

Commercial organisations are exempt from import customs duties with respect to goods imported (have been imported) into the territory of the Republic of Belarus, which are contributed to the authorized fund of these organisations when it is formed as a non-monetary contribution of the founders, and which have not exceeded 5 years from the date of manufacture.

Such goods include, but are not limited to:

- ◆ Steam boilers;
- ◆ Gas generators;
- ◆ Internal combustion engines;
- ◆ Electric motors and generators;
- ◆ Industrial vehicles;
- ◆ Cruise ships, cargo ships and other floating structures;
- ◆ Musical Instruments;
- ◆ Furniture;
- ◆ Carousels and other rides.

! Important: These goods must be made as a contribution to the organisation's authorised capital and not purchased with the founders' cash.

4.3.5. Other benefits

- ◆ Exemption from payment of state duty for the issuance of a special permit (licence);
- ◆ Possibility of applying a preferential amendment when participating in public procurement procedures.

Commercial organisations located in rural areas are entitled to claim the above benefits, mainly if they have a certificate of their own production for the products produced (work performed, services rendered). This certificate is also the basis for applying a preferential amendment to the participant's bid in the amount of 15% when participating in public procurement procedures.

4.3.6. Benefits to branch offices

Benefits may also be granted to branch offices and other separate subdivisions established by commercial organisations on the territory of rural areas, including the territory of the Park. In particular, within 7 calendar years from the date of the decision to establish a branch offices, it is granted the following benefits:

- ◆ Exemption from profits tax in respect of profits received by a separate subdivision from the sale of goods (work and services) of its own production;
- ◆ Property tax exemption on the value of real property located within the Park.

4.4. Benefits for the subjects of innovative activity of the Park

Subjects of innovation activity of the Park are legal entities and individual entrepreneurs of the Republic of Belarus with location (residence) on the Park territory, carrying out (planning to carry out) on this territory innovation activity in accordance with the main directions of the Park activity, registered by the Park Administration as a subject of innovation activity of the Park for a period of not more than 2 years.

The following benefits are provided for this category of individuals:

- ◆ It is not required to submit tax declarations (calculations) on land tax (rent payment for land plots) and real estate tax by the subjects of innovation activity of the Park in the part of taxation objects, in respect of which the subjects of innovation activity of the Park are exempted from these taxes;

- ◆ Subjects of innovation activity of the Park in relation to foreign citizens and stateless persons, who are highly qualified workers, not having permanent residence permits in the Republic of Belarus (hereinafter - foreigners) and are engaged by Park residents under labour contracts to perform labour activity on the Park territory for the positions of managers and specialists do not need to obtain:

1) permits to attract foreign labour force to the Republic of Belarus;

2) special permits for the right to engage in labour activity in the Republic of Belarus;

- ◆ Foreigners, attracted by the subjects of innovation activity of the Park, including in the visa-free order, to carry out labour activity in the Republic of Belarus under labour contracts in the Park, implementation of investment projects in the Park, construction of the Park facilities, are exempt from the state duty for registration for the period of temporary stay in the Republic of Belarus, extension of temporary stay in the Republic of Belarus, issuance of permits for temporary residence in the Republic of Belarus;

- ◆ Compulsory insurance contributions are not accrued on the part of income (payments) of employees of the Park's innovation activity subjects, which is the object for accrual of such contributions, exceeding the average salary of employees in the Republic of Belarus for the month preceding

the month for which compulsory insurance contributions are to be paid;

- ◆ Subjects of innovation activity of the Park, as well as their employees from among foreign citizens and stateless persons are exempted from compulsory insurance contributions for pension and social insurance from payments accrued in favour of such employees;
- ◆ Subjects of innovation activity of the Park may act as declarants of goods placed under the customs procedure of a free customs zone, for placement and (or) use on the territory of free customs zones, defined for the Park resident, on the basis of the decision of the Park Administration in the presence of the Park resident's consent, for which the limits of the free customs zone are defined, with notification of the customs authority;
- ◆ The goods placed by the subjects of innovation activity of the Park under the customs procedure of release for internal consumption, manufactured (obtained) with the use of foreign goods placed under the customs procedure of a free customs zone, are exempt from VAT levied by customs authorities;
- ◆ Subjects of innovation activity of the Park are entitled to conclude between themselves and (or) with third parties convertible loan agreements, agreements on granting an option to conclude a contract and option agreements.

4.5. Benefits and preferences for participants in the construction of Park facilities

Participants of the Park facilities construction are design, contractors, engineering and other organisations engaged for the Park facilities construction.

The following benefits and preferences are provided for participants of the Park facilities construction:

- ◆ exemption from compensation for losses of agricultural and (or) forestry production caused by withdrawal or temporary occupation of agricultural lands of agricultural purpose and forest lands of the forest fund, located within the Park boundaries and intended for implementation of investment projects within its boundaries;
- ◆ exemption from real estate tax on capital structures (buildings, constructions), recognised as such for real estate tax purposes, built (placed) on the Park territory within the framework of investment projects implementation by the Park residents, Joint Venture Company, during the period of construction of these objects;
- ◆ provides for the right to attract foreign citizens and stateless persons who do not have permanent residence permits in the Republic of Belarus to perform labour activities in the Republic of Belarus under labour contracts on the basis of permits to attract foreign labour force to the Republic of Belarus and special permits for the right to engage in labour activities;
- ◆ exemption from payment of state duty for issuance, prolongation of validity of permits to attract foreign labour force to the Republic of Belarus, special permits for the right to engage in labour activity in the Republic of Belarus to foreign citizens and stateless persons attracted by the participants of Park objects construction for construction of Park objects;
- ◆ exemption from mandatory insurance contributions for pension and social insurance from payments accrued in their favour. Pension provision for these foreign employees is carried out in accordance with the legislation of the states of which they are citizens.

4.6. Benefits to venture capital organisations

- ◆ Profit from alienation of a share in the authorised fund (share (part of a share), shares) of subjects of innovative activity, subjects of innovative activity of the Park received by venture capital organisations with a location in the Park is not subject to income taxation;
- ◆ Dividends accrued by venture capital organisations with a location in the Park to their founders (participants, shareholders, owners of their property) who are residents of the Republic of Belarus and non-residents of the Republic of Belarus - the actual owners of income within 5 years from the year of accrual of dividends, are subject to a preferential rate of 0% for profit tax, income tax and income tax of foreign organisations not operating in Belarus through a permanent establishment.

4.7. Benefits for foreign citizens and stateless persons

In addition to the benefits for foreigners, previously mentioned in the review, it is allowed to register at the place of residence and registration at the place of stay of foreign citizens and stateless persons, engaged by customers and contractors for the construction of Park facilities, who do not have permission for permanent residence in the Republic of Belarus, in residential premises that are not real estate objects and (or) are not to be included in the housing stock.



5 OPTIONS FOR THE USE OF PROPERTY AND LAND PLOTS

5.1. Lease of real estate and acquisition of ready-made objects

The Park offers the possibility of both buying and leasing properties. The purchase or lease of properties is subject to the observance of their purpose in accordance with the Park's master plan.

The division of the Park's territory into production, office and shopping and entertainment complexes, financial and research centres makes it possible to increase the economic benefits of using the properties for commercial purposes.

Also, residential zones are located within the Park, within which both homestead and multi-family residential buildings are being constructed.

5.2. Specifics of land plots provision in the Park. New construction

5.2.1. Specifics of land plots provision in the Park

The Park administration provides the Joint Company with land plots within the Park boundaries as far as the Park territory is actually developed in accordance with the Park master plan and detailed territory planning

plans. Land plots for further transfer to residents are provided to the Joint Company for ownership or lease (for up to 99 years).

To obtain a land plot within the Park boundaries, a resident or an investor applies with a relevant application to the Joint Company, which handles the application and makes a relevant decision based on the results of its handling.

As a general rule, the Park resident/investor indicates the following information in the application:

- ◆ the purpose for which the land plot is requested;
- ◆ in rem right to the requested land plot;
- ◆ characterisation of the construction object, including its functional purpose and approximate size;
- ◆ the proposed location of the land plot and its approximate area.

An application to purchase a plot can be made on the Park's website at <https://industrialpark.by/investoram/land-plots/>.

The choice of a land plot by a Park resident or investor is conditioned by the necessity to comply with the Park master plan, which defines the strategy of spatial-territorial development of the Park and functional zoning of its territory, as well as detailed planning plans.

According to the Park's master plan, the territories included in the Park are united into functional zones, in accordance with the purpose of which land use is carried out. The location of a land plot is agreed upon based on the types of activities for which a Park resident or an investor requests a land plot, functional zoning of the Park territory, sanitary and environmental requirements (including the size of sanitary zones), as well as the pace of development of the Park territory.

A Park resident or its investor, who is granted a land plot, is guaranteed the connection of engineering and transport infrastructure to the selected land plot, which is carried out by the Joint Company.

Land plots are provided to Park residents and investors on the right of ownership, lease (sublease).

Legal titles to the land plots to be provided

Private property	Lease (sublease)
Park resident	Park resident
Investor - a non-state legal entity of the Republic of Belarus	Investor - a non-state legal entity of the Republic of Belarus
	Other investors

Based on the above scheme, a non-resident investor may claim only for the provision of a land plot on the right of lease or sublease.

Separate features of the provision of land plots in the Park:

- ◆ The sale and purchase agreement, lease agreement are concluded between the Park resident/investor and the Joint Company;

- ◆ The standard form of the land plot lease agreement is not applied when concluding the agreement. Consequently, the terms and conditions of the land plot lease agreement are determined by agreement of the parties, which allows the parties to stipulate in the agreement precisely those terms and conditions that are the most essential for them when implementing a particular project;
- ◆ Park residents are granted a privilege in the form of exemption from land tax on land plots located on the Park territory. This privilege applies only to land plots acquired by the Park resident into private ownership;
- ◆ The cost of the land plot under the sale and purchase agreement, as well as the amount of rent under the land plot lease agreement concluded between the Joint Venture Company and the Park resident/investor, is determined by the parties in the specified agreements.

5.2.2. General requirements for participants in construction activities

Construction of new real estate objects on the Park's territory is carried out on beneficial terms, as well as taking into account the master plan that defines the strategy of spatial-territorial development of the Park and functional zoning of its territory depending on their functional purpose.

According to the current legislation of the Republic of Belarus, participants in construction activities may be residents of the Republic of Belarus and non-residents (customer, contractor, designer, etc.).

At the same time, the legislation establishes certain requirements for participants of construction activities carried out on the territory of the Republic of Belarus, which apply, among other things, to the construction of facilities within the Park.

As a general rule, today construction activities are carried out by legal entities if there are certificates of compliance issued in accordance with the procedure

established by the Council of Ministers of the Republic of Belarus.

The organisation authorised to carry out attestation of participants of construction activities and issue them a certificate of compliance is Republican Unitary Enterprise "BELSTROYCENTER".

Qualification requirements for participants of construction activities to obtain a certificate of compliance depend on the complexity class of the object, in respect of which the organisation intends to carry out construction activities, and are established by the Resolution of the Ministry of Architecture and Construction of the Republic of Belarus No. 25 dated 02.05.2014. Classification of objects is contained in Construction Norms 3.02.07-2020 «Construction objects. Classification».

The main purpose of the attestation is to verify the applicant's compliance with the criteria established by the legislation, which are aimed at assessing the applicant's availability of personnel with the necessary qualifications, the means necessary to perform the work, and the system of quality control of the work performed.

It is prohibited to carry out construction activities without a certificate of compliance when its presence is mandatory. Consequences - confiscation of income derived from such activities (the amount of income is the entire amount of revenue received without taking into account costs), as well as imposition of a fine of up to 500 basic units (approximately 5,965 Euros).

In addition to having a certificate of compliance, in order to perform the functions of a contracting organisation, such an organisation must have a certificate of technical competence of the production control system.

As a benefit to customers of the Park objects are not required to obtain certificates of compliance, other supporting documents, without which the implementation of the functions of the customer is prohibited and (or) entails administrative responsibility.

5.2.3. Permission documentation for construction

Construction of buildings and structures in the Republic of Belarus is carried out on a permission basis.

Required permission documentation includes the following key documents:

- ◆ decision to permit carrying out design and survey works and constructing the facility;
- ◆ architectural and planning assignment;
- ◆ conclusions of the approving organisations;
- ◆ technical conditions for engineering and technical support of the facility.

It should be noted that the town-planning passport of the land plot is not included in the permission documentation for construction in the Park.

Availability of permission documentation is a prerequisite for the customer to conclude a contract for the development of design documentation and a contract for the performance of work on the construction of the facility.

Design documentation before its approval is subject to mandatory state expertise, carried out on an application paid basis by specially authorised organisations. The Republican Unitary Enterprise "Glavgosstroyekspertiza" carries out the state expertise of design documentation of the Park objects.

Direct performance of construction and installation works at construction facilities may be started after notification to the state construction supervision authorities.

5.2.4. Peculiarities of construction of facilities on the Park territory

Customers for the construction of facilities in the Park may include:

- ◆ Joint Venture Company;
- ◆ Park residents;
- ◆ Park investors;
- ◆ Park administration in relation to the construction (including development of project documentation) of transport and engineering infrastructure facilities (structures and engineering networks of electricity, heat, gas, water supply and sewerage, telecommunications, roads and other communications) outside the Park boundaries, necessary to ensure full and timely development of its territory in accordance with the general plan, carried out fully or partially at the expense of the republican and (or) local budgets;
- ◆ Other Persons.

At the same time, the Joint Company ensures construction of facilities (including development of project documentation) in accordance with the Park's master plan, including engineering and transport infrastructure facilities. Thus, when an investor/resident of the Park receives a plot of land for development, as a rule, it already has the necessary engineering networks and access roads up to the boundaries of its plot.

Decision-making on authorisation of design and survey works and construction of Park facilities on its territory, including infrastructure facilities, is within the competence of the Park Administration.

Other peculiarities of construction on the territory of the Park

- ◆ Legislation establishes the possibility to carry out the construction of the Park facilities in parallel

with the development, examination and approval in accordance with the established procedure of the necessary project documentation for each of the construction stages, which significantly accelerates the construction process.

The condition for applying the benefit: availability of design documentation for a particular stage of construction of the facility that has passed state expertise and been approved in accordance with the established procedure.

- ◆ Permission documentation for construction of Park objects, documents on their acceptance into operation, as well as documents required for state registration of Park objects and rights to them are drawn up in Russian (Belarusian) language or in Chinese (other foreign language) with a notarised translation into Russian (Belarusian) language.
- ◆ Goods imported for the purposes of development of urban planning projects of the Park, construction and equipping of the Park objects are not subject to mandatory confirmation of conformity in the National system of Confirmation of Conformity of the Republic of Belarus, unless otherwise stipulated by international treaties of the Republic of Belarus.

5.2.5. Financing the construction of the Park facilities

The legislation does not contain restrictions on the sources of financing for the construction of facilities in the Park, which allows its residents and investors to use both their own and attracted funds, including bank loans.

At the same time, special offers from financial institutions are available for residents of the Park.



6 CONDITIONS AND PROCEDURE FOR REALISATION OF CERTAIN BENEFITS

6.1. Exemption of imported goods from import customs duties and VAT (in case of construction)

The exemption of goods (technological equipment, components and spare parts thereof; raw materials and supplies) imported into the territory of the Republic of Belarus for exclusive use in the territory of the Republic of Belarus for the purpose of implementation of investment projects providing for construction and equipping of the Park facilities from import customs duties and VAT levied by customs authorities is envisaged.

Application of the exemption from import customs duties and VAT is applicable to technological equipment, components and spare parts thereof, as well as raw materials and supplies, provided that opinion of the Park Administration on the purpose of the imported goods for the above purpose (in the form of Annex No. 1 and Annex No. 2 to the Resolution of the Council of Ministers of the Republic of Belarus 31.01.2018 No. 87) is obtained. The said forms are given in Annex 6 to this review.

Issuing an opinion on the purpose of imported technological equipment and (or) raw materials and supplies is a separate administrative procedure (subclause 1.3.5 of the unified list of administrative procedures), carried out by the Park Administration.

Term of administrative procedures - 10 working days.
The cost of implementation is free of charge.

However, the procedure for applying this benefit differs depending on the goods imported:

- ◆ technological equipment, components and spare parts thereof or
- ◆ raw materials and supplies.

6.1.1. Peculiarities of import of technological equipment

The criteria for classifying goods as technological equipment, components and spare parts thereof are their compliance with one or more of the following conditions:

- ◆ are classified according to the unified Commodity Nomenclature of Foreign Economic Activity of the Eurasian Economic Union in the commodity positions in commodity positions 7309 00, 7311 00, 8402-8408, 8410-8431, 8433-8443, 8444 00, 8445-8448, 8449 00 000 0, 8450- 8466, 8468, 8471-8475, 8477- 8481, 8483, 8484, 8486, 8487, 8501, 8502, 8503 00, 8504-8508, 8514-8517, 8523, 8528-8531, 8535-8537, 8543, 8545, 8603, 8604 00 000 0, 8605

00 000, 8608 00 000, 9010-9013, 9015, 9016 00, 9022, 9023 00, 9024, 9026, 9027, 9030-9032;

- ◆ are referred to technological equipment by technical and other normative legal acts of the Republic of Belarus;
- ◆ are an integral part of the investment project on construction and equipping of the Park object implemented on the Park territory according to the project documentation for construction of the Park object.

Algorithm for importing technological equipment, components and spare parts without customs duties and VAT

1. Submission to the Park Administration of an application for issuing an opinion on the purpose of the imported technological equipment, components, spare parts thereof in the form approved by the Resolution of the Council of Ministers of the Republic of Belarus 31.01.2018 No. 87. The form of the said application is given in Annex 7 to this review.

The following information shall be reflected in the application:

- ◆ name of the Park object, construction and equipping of which is envisaged in the investment project, for which technological equipment, components and spare parts are imported;
- ◆ full name and registration number of the applicant's payer;
- ◆ details of the foreign trade contract;
- ◆ name of the investment project, including its stages (if any);
- ◆ terms of investment project realisation.

The application shall be accompanied by a list of technological equipment, components and spare parts

thereof in accordance with the foreign trade contract with indication of:

- ◆ titles;
- ◆ quantities;
- ◆ cost;
- ◆ the persons importing them.

Within no more than 10 working days the Park Administration reviews the submitted application.

2. Issuance to the applicant of the opinion on the purpose of the imported technological equipment by the Park Administration.

3. Sending by the Park Administration information about the issued opinions to the competent customs authorities (Minsk Central Customs) - not later than the day of issuing the opinion.

4. Import of equipment, components and spare parts for it without payment of customs duties and VAT on the basis of the received opinion.

6.1.2. Peculiarities of import of raw materials and supplies

An additional condition for the application of the exemption in respect of imported raw materials and supplies is that the imported raw materials and supplies are either (i) not produced in member states of the Eurasian Economic Union, or (ii) produced in insufficient quantities, or (iii) do not meet the technical specifications of the investment project.

Algorithm for importing raw materials and supplies without customs duties and VAT

1. Submission of an application for issuance of an opinion on the purpose of imported raw materials to the Park Administration in the form approved by the Resolution of the Council of Ministers of the Republic of Belarus 31.01.2018 No. 87.

The following information shall be reflected in the application:

- ◆ name of the Park object, construction and equipping of which is envisaged in the investment project, for which raw materials and supplies are imported;
- ◆ full name and registration number of the applicant's payer;
- ◆ details of the foreign trade contract;
- ◆ name of the investment project, including its stages (if any);
- ◆ terms of investment project implementation.

The application shall be accompanied by a list of raw materials and supplies as per the foreign trade contract, indicating:

- ◆ titles;
- ◆ quantities;
- ◆ total cost;
- ◆ the persons importing them;
- ◆ information on the characteristics (properties) of raw materials;
- ◆ manufacturers.

2. Consideration of the submitted application by the Park Administration within no more than 10 working days.

3. Issuance to the applicant by the Park Administration of the opinion on the purpose of imported raw materials. Not later than the day of issuing the opinion the Park Administration sends information about the issued opinions to the competent customs authorities (Minsk Central Customs).

4. Importation of raw materials and supplies without payment of customs duties and VAT on the basis of the received opinion on approval of the list of raw materials and supplies.

6.2. Full VAT deduction

During the term of validity of the special legal regime the Joint Company and Park residents on the basis of the list of goods (works, services), property rights purchased in the territory of the Republic of Belarus (imported into the territory of the Republic of Belarus) and used for:

- ◆ development of urban planning projects for the Park;
- ◆ the construction of the Park's facilities;
- ◆ the Park's facilities,

are entitled to a full VAT deduction irrespective of the amount of VAT calculated, but not later than 31 December of the year following the year of commissioning of such facilities. Tax amounts are determined by the method of separate accounting for tax deductions.

The list (to be agreed with the Park Administration) shall contain the following information:

- ◆ name of Park facilities (their parts), for which goods (works, services) and property rights purchased in the territory of the Republic of Belarus (imported into the territory of the Republic of Belarus) are used;
- ◆ full name and accounting number of the payer - resident of the Park, Joint Venture Company;
- ◆ name, quantity and cost of goods (works, services), property rights used for the development of urban planning projects of the Park, construction, equipping of the Park objects, when acquiring them in the territory of the Republic of Belarus VAT is

charged or when importing them into the territory of the Republic of Belarus VAT is paid;

- ◆ details of primary accounting documents, customs declarations and other documents confirming the acquisition in the territory of the Republic of Belarus (import into the territory of the Republic of Belarus) of goods (works, services), property rights used for the development of urban planning projects of the Park, construction and equipping of the Park objects (name of the document, date of its preparation, number (if any));
- ◆ details of documents confirming the use of goods (works, services), property rights for the development of urban planning projects of the Park, construction and equipping of Park facilities (name of the document, date of its preparation, number (if any));
- ◆ VAT amounts charged on the acquisition in Belarus of goods (work, services) and property rights used for the development of urban planning projects;
- ◆ Park, construction and equipping of Park facilities, and details of documents, including electronic VAT invoices, in which such VAT amounts are charged (name of the document, date of its drawing up, number (if any), number and date of issuing (signing by the Park resident, Joint Venture Company) of the electronic VAT invoice);
- ◆ VAT amounts paid upon importation into the territory of the Republic of Belarus of goods used for development of the Park urban planning projects, construction and equipping of the Park facilities, date of payment of this tax, details of documents confirming payment of VAT amounts upon importation of such goods into the territory of the Republic of Belarus (name of the document, date of its preparation, number (if any), and details of electronic VAT invoices (number and date of issue).

A requirement for the deduction of VAT in full

The possibility of realising the right to deduct VAT in full arises when the amount of tax deductions exceeds the total amount of VAT calculated on the sale of goods (work, services) and property rights. In such a situation, a business entity does not pay VAT and is entitled to offset the difference against taxes, fees (duties) and other payments to the budget or to refund the difference from the budget.

Timing and procedure for refunds:

1. Submitting an application

An application for a refund of the difference between the amount of tax deductions and the total amount of VAT calculated on the sale of goods (work, services) and property rights must be completed in the form prescribed by law and sent to the tax authority on paper or in the form of an electronic document.

The procedure for submitting an application for a refund of a difference depends on the payer's situation, in accordance with which the payer takes one of the following decisions:

- ◆ offset the entire amount of the difference against current payments and repayment of penalties and arrears of taxes, fees (duties), other mandatory payments to the budget and fines (if the amount of the difference does not exceed the amount of these payments);
- ◆ return the entire amount of the difference to the account (if there are no current payments and arrears of taxes, levies (duties), penalties, fines and other obligatory payments to the budget);
- ◆ part of the difference is offset and the remaining part is returned to the account (if the amount of the difference exceeds the amount of current payments, penalties and arrears of taxes, levies (duties), other payments to the budget and fines).

The relevant lines and columns of the application are filled in taking into account the decision made by the payer.

No application is required for the refund of a difference by offsetting it against VAT payable on sales in the next reporting period, since such a refund is carried out by the tax authority without a decision on the refund being taken. A taxpayer need only submit a declaration for the next accounting period.

2. Carrying out an audit by a tax authority

A tax authority has the right, on its own initiative or on the initiative of a taxpayer, to conduct an unscheduled audit of the validity of a refund (credit) of a difference. In the case of an audit by a tax authority, it shall be scheduled no later than 2 working days from the day on which the taxpayer submits an application for a refund.

The term of the inspection is not more than 15 working days from the date of submission of the application for refund.

3. Making a decision by a tax authority

A decision on the refund of the difference is made by the tax authority not later than 2 working days from the date of submission of the taxpayer's application for the refund of the difference on the basis of the declaration submitted to the tax authority. In the situation of an audit, a decision on a refund is made no later than 2 working days from the day of the end of the audit.

A decision made by a tax authority shall be sent to a taxpayer either on paper or in the form of an electronic document not later than 5 calendar days from the date of its making.

Organisations with monthly differences may not be able to enforce previous decisions. A decision made by a tax authority on an application for a refund of a difference during the period of offsetting of previous decisions is accepted for execution:

- ◆ either with full credit for differences from previous judgements
- ◆ or after the expiry of 1 month from the date of the previous decision.

4. Procedure for offsetting

Within 1 month from the date on which a tax authority makes a decision on a refund, the difference between the amount of tax deductions and the total amount of VAT calculated on the sale of goods (work, services) and property rights shall be offset against it:

- ◆ current payments on taxes, levies (duties) and other obligatory payments to the budget;
- ◆ repayment of debts and penalties on taxes, levies (duties) and other mandatory payments to the budget;
- ◆ repayment of arrears of fines imposed by the tax authorities.

An offsetting of the difference shall be made in the directions specified in the application for a refund of the difference not later than 5 working days from the day following the day on which the decision on the refund was taken. The tax authority shall notify the taxpayer of the offset not later than five working days from the date of the offset.

In case of arrears of taxes, levies (duties), penalties, other mandatory payments to the budget and fines, including those not specified in the application for refund, the tax authority shall offset the difference against the repayment of this debt. Such offset shall be made not later than 5 working days from the day following the day when the debt arose.

During the period prescribed for carrying out offsets (one month from the date on which a tax authority takes a decision on a refund), the amount of the difference should not be credited to the taxpayer's account.

After 1 month, the remaining amount of differences after the offset is to be returned from the republican budget by transferring funds to the bank account of the payer in the manner prescribed by law.

6.3. Obtaining a certificate of own production

Certificate of Own Production is a document serving as a basis for application of the envisaged income tax benefits for Park residents (Section 2.1. of this review), as well as for obtaining benefits by economic entities registered in rural areas (Section 4.3. of this review).

Requirements and criteria for recognition by a manufacturer of its own production

In order for a business entity to be recognised as a manufacturer of products, it is necessary to ensure that all of the following requirements shall be met:

- ◆ persons engaged in the manufacture of products shall be on the organisation's payroll;

It is possible to engage personnel, including under contractual agreements. In this case, the cost of work and services performed by persons under contractual agreements should not exceed 15% of the cost of production, and materials should be given the properties of finished products by the direct manufacturer (organisation) using its own resources.

- ◆ land plots, premises, other immovable property, equipment, tools, devices used in the manufacture of products shall be owned (economic management, operational management) by the manufacturer or used by it on the basis of a lease or free-of-charge use agreement;
- ◆ input materials, raw materials, component parts shall belong to the manufacturer on the right of ownership.

If the above requirements are met, the manufacturers of products shall also be a legal entity or an individual

entrepreneur engaged in the manufacture of products with the use of works and services of a production nature, performed (rendered) on the basis of contractor agreements by other persons when the manufacturer performs operations of the production and technological process, which ensure that the initial materials are given the properties of finished products. At the same time, the cost of works and services of production nature performed (rendered) on the basis of contractor agreements by other legal entities and individuals, individual entrepreneurs should not exceed 15% of the manufacturer's production cost.

Where the requirements for being recognised as a manufacturer are met, own-produced products include products manufactured by the manufacturer or sufficiently processed by the manufacturer in Belarus.

Products manufactured entirely by the producer include, inter alia, natural resources extracted from the subsoil of the Republic of Belarus, on its territory; waste and scrap obtained as a result of production, technological or other processing (treatment) operations.

At the same time, taking into account the specifics of the projects to be implemented on the territory of the Park, the criterion of sufficient processing on the territory of the Republic of Belarus is more significant for recognition as a manufacturer of products.

Products subjected by the manufacturer to sufficient processing in Belarus are recognised as products whose degree of processing meets any of the following criteria:

- ◆ change of the classification code under the unified Commodity Nomenclature of Foreign Economic Activities of the Eurasian Economic Union at the level of any of the first four characters;
- ◆ the difference of at least 30% between the selling price of the manufacturer's products and the price of raw materials used in their manufacture (excluding VAT in these prices);

- ◆ the manufacturer's compliance with the necessary conditions, production and technological operations that make the goods deemed to have originated in the country in which they took place.

Requirements for recognition as a manufacturer of works and services

In order to be recognised as a manufacturer of works and services, the following requirements shall be met in the aggregate:

- ◆ persons engaged in the performance of work or provision of services shall be on the organisation's payroll;
- ◆ land plots, premises, other immovable property, equipment, tools, devices used in the performance of work, provision of services must be owned (economic management, operational management) by the manufacturer or used by it on the basis of a lease or free-of-charge use agreement.

Obtaining a certificate of products, works, services of own production

The Belarusian Chamber of Commerce and Industry issues certificates of products, works and services of its own production.

Stages:

- 1) passing an expert examination of conformity of products, works, services to the conditions and criteria for products, works, services of own production. The expert examination is carried out on the basis of the agreement on the provision of services for expert examination concluded with the Belarusian Chamber of Commerce and Industry. As a result, an act of expertise is issued;
- 2) applying to the Belarusian Chamber of Commerce and Industry for issuing a certificate

Documents to be submitted:

- ◆ application in the prescribed form;
- ◆ act of expert examination;
- ◆ a document confirming the applicant's payment for the certificate issuance services.

The term of the expert review does not exceed 20 days, and if necessary, additional documents and information may be requested for a period not exceeding 15 days.

The term for issuing the certificate is 10 days from the date of receipt of the documents.

6.4. Obtaining a country of origin certificate

Country of origin certificate (hereinafter - certificate) is a document certifying that the goods were either fully produced in the territory of a particular state, or during the production of goods in the territory of a particular state (group of states) were carried out operations of the technological process, ensuring sufficient processing (treatment) of initial raw materials, materials and component parts (hereinafter - materials).

The certificate is submitted to the customs authorities of the country of importation of goods and allows to take advantage of benefits on payment of import customs duties and equivalent payments (if such benefits are available). The certificate is also required to confirm the country of origin of certain types of goods when importing them into the territory of states whose legislation establishes measures of non-tariff regulation in respect of such goods depending on the country of their origin.

In this regard, the decision to obtain a certificate is made by a business entity of the Republic of Belarus and is based on its desire to take advantage of the right to receive the established benefits and preferences.

Confirmation of the country of origin and certification of country of origin certificate of goods is carried out by the Belarusian Chamber of Commerce and Industry in cases where the execution of a certificate is stipulated:

- ◆ by the terms of the contract;
- ◆ by national regulations of the country of importation;
- ◆ by international treaties of the Republic of Belarus.

The conditions and criteria for sufficient handling/processing, under which goods produced in Belarus will be considered as originating in Belarus, and the form of the certificate issued are determined depending on the country of import (export) of the goods.

The procedure for consideration of goods as originating in Belarus is similar to the procedure for obtaining a certificate of own production and is generally as follows:

- 1) conclusion of a contract for expert review services;
- 2) acceptance and registration of the application in the prescribed form for expert review with the package of documents attached by the applicant;
- 3) analysing the documents submitted by the applicant for compliance with the requirements of regulatory legal acts;
- 4) familiarisation with the technological process of production directly at the enterprise, verification of compliance with the information provided by the applicant;
- 5) determining whether the goods meet the established criteria of origin;
- 6) drawing up an expert report.

An indicative package of documents required for the examination should contain:

- ◆ contract for the supply of goods;
- ◆ information on the classification of the final goods in accordance with Harmonized Commodity Description and Coding System;
- ◆ a list of source materials, including information on the country of origin and classification of materials according to Harmonized Commodity Description and Coding System, as well as information confirming the availability of materials from the manufacturer;
- ◆ calculation of ad valorem share (if necessary);
- ◆ description of the technological process of production of goods.

In case of a positive conclusion of the expertise, a certificate is issued for each batch of goods.

The basis for issuance of the certificate is the exporter's application, to which shall be attached:

- ◆ contract for the supply of goods;
- ◆ invoice;
- ◆ calculation of ad valorem share (if necessary).

A certificate may be issued on the forms listed below in the following cases:

1. Certificate of form ST-1

It is issued for the purposes of granting free trade regime when exporting goods to the states-participants of the Agreement on the Establishment of a Free Trade Zone of 15.04.1994, Free Trade Zone Agreement of 18.10.2011 in accordance with the Rules for Determining the Country of Origin of Goods, acting within the framework of the above documents, as well as when exporting goods to Georgia in accordance with the agreements reached.

2. Certificate of form ST-2

It is issued for the purposes of granting free trade regime in accordance with the Agreement between the Government of the Republic of Belarus and the Government of the Republic of Serbia on Free Trade between the Republic of Belarus and the Republic of Serbia of 31.03.2009.

3. Form A certificate

It is issued for the purposes of confirming the origin of goods from the Republic of Belarus, when exporting goods to countries that provide tariff preferences to the Republic of Belarus within the Generalised System of Preference (hereinafter - GSP), as well as when the need to accompany the goods with a Form A certificate is not caused by the receipt of these preferences when importing goods to such countries, but is a condition of the agreement (contract).

4. General form certificate

It is formalised in the following cases:

- ◆ for the purposes of submission to the customs authorities of the country of importation with which the Republic of Belarus does not have international treaties (agreements) establishing requirements for the origin of goods and the form of the certificate, or which does not grant preferences under the GSP, if it is necessary to confirm the country of origin of goods in accordance with the terms of the contract (agreement) or national rules of this country;
- ◆ for the purposes of confirming the origin of goods from the Republic of Belarus when submitted to the customs authorities of the country of importation with which the Republic of Belarus has an international treaty (agreement) establishing tariff preferences or free trade regime for the goods, or of the country of importation granting tariff preferences to the Republic of Belarus within the framework of the GSP, when the need to accompany the goods with a certificate is a condition of the contract (agreement) and is not

caused by the receipt of the said tariff preferences or the granting of free trade regime with the Republic of Belarus.

- ◆ for the purposes of confirming the country of origin of goods in the case of issuing a certificate to replace a certificate certifying the origin of goods from a country other than one of the States Parties to the Agreement.

5. Certificate in another prescribed form

Can be issued when the national regulations of the country of importation approve the form of the certificate of origin to be submitted to the competent authorities of that country.

6.5. Procedure for visa-free entry of foreigners

Visa-free entry and exit to Belarus is possible (for up to 180 days per calendar year if a temporary residence permit is not obtained):

- ◆ persons attracted by residents and investors of the Park for the purposes of implementation of investment projects in the Park;
- ◆ founders, participants, shareholders, property owners (employees of founders, participants, shareholders, property owners) of residents and investors.

The procedure for implementation of this preference is as follows:

1. Submission of an application by an investor or resident to the Park Administration*
2. Submission of the list of persons by the Park Administration to the State Border Committee
3. Visa-free entry into the territory of Belarus on the basis of documents intended for entry (passport, other document)

The resident/investor application must contain the following information:

- ◆ surname, first name (in Latin letters from the passport or other document on the basis of which the citizen enters Belarus, as well as in Russian, and for PRC citizens - additionally in Chinese);
- ◆ sex;
- ◆ citizenship;
- ◆ date of birth (date, month, year);
- ◆ the number of the document under which the entry is made;
- ◆ date of entry;
- ◆ relation of the invited citizen to the legal entity that made the application (a person attracted for implementation of the investment project in the Park, founder, participant, shareholder, property owner (employee of the founder, participant, shareholder, property owner) of the resident or investor, Joint Venture Company).

Sample applications are available on the Park's website.

APPENDIXES



APPENDIX 1

Form

State Institution “Administration of the
Chinese-Belarusian Industrial Park “Great
Stone”

Application

We request that you register as a resident of the Chinese-Belarusian Industrial Park “Great Stone” _____.

(full name and registration number of the applicant’s payer)

Name of investment project: _____.

Area of activity of the Chinese-Belarusian Industrial Park “Great Stone”, in accordance with which the activities envisaged by the investment project are carried out: creation and development of production in the sphere of _____.

(area of activity of the Chinese-Belarusian Industrial Park “Great Stone”)

Main type of activity planned to be carried out in accordance with the investment project: _____.

(the name of the type of activity and its code in accordance with the national classifier of the Republic of Belarus 005-2011 “Types of Economic Activities” approved by the State Committee for Standardisation of the Republic of Belarus of 5 December 2011 N 85).

Investment project implementation period with indication of the start and end dates of implementation, including stages of the investment project (if any): _____.

Declared volume of investments in the implementation of the investment project, including by stages (if any): _____.

Necessary conditions for implementation of the investment project: _____.

(land plot (ha), sanitary protection zone, capital buildings (parts thereof) (sq. m), other)

Application¹:

(job title)

(signature)

(initials, surname)

¹ Documents in accordance with clause 6 of the Regulations on the procedure for registration of legal entities as residents of the Chinese-Belarusian Industrial Park “Great Stone”.

APPENDIX 2

Form

APPROVED

(name of the position of the head,
abbreviated name of the organisation)

(Signed) (Signature) (signed) (signed)

(date of approval)

GROUNDING
of investment project

«_____»
(name of investment project)

CONTENTS ²

1. Project and product description	p...
2. Analysing sales markets. Marketing strategy	p...
3. Production plan	p...
4. Investment plan	p...
5. Evaluation of project implementation efficiency	p...
6. Project implementation schedule	p...

² The names and contents of the sections may be supplemented.

1. PROJECT AND PRODUCT DESCRIPTION

This section reflects the main idea of the project. Its content should summarise the essence of the project in a concise and accessible form. It is advisable to provide information about the technological novelty of the project, its social significance.

This section also provides a description of the organisation.

In describing the organisation, the following issues are reflected:

production and economic activity of the organisation, its peculiarities (seasonal nature of product sales, serial or small-scale production, other peculiarities), main and other (if any) types of activity in accordance with the nationwide classifications of the Republic of Belarus 005-2011. If the expansion of the existing production is envisaged, it is necessary to indicate what new products (works, services) will be produced in the industrial park, their difference from the previously produced ones, as well as the planned preservation (closure) of the existing production and existing jobs;

characterisation of available technologies (may indicate the degree of novelty, availability of developments, compliance with international standards);

information on the land plot required for the project implementation, its size with regard to sanitary protection zones (specify whether it is planned to purchase it in ownership or lease);

information on capital structures, buildings, facilities required for the project implementation (specify planned construction or lease);

information on fixed production assets and intangible assets planned for acquisition;

planned production capacities and their utilisation;

the number of newly created jobs.

In describing the organisation's development strategy, the following issues are disclosed:

main goals and objectives of prospective development (production of new products, improving the quality of previously produced products, increasing production volumes, saving resources, introducing new and high technologies, import substitution and other goals);

the relevance and novelty of the implemented project;

description of production capacities required for the production programme in the future, the method of their creation (construction, purchase, lease);

planned production volume of products and their consumer characteristics;

environmental assessment of the project - analysis of the impact of future production on the environment, volumes of waste, proposed disposal and recycling sites;

the stage of elaboration of the project milestones;

activities to achieve the set objectives.

When describing the products to be produced by the organisation as a result of the project, the following information is provided:

scope of application;

main characteristics (consumer, functional, other product characteristics);

compliance with international and national quality standards;

provision of warranty and post-warranty service;

availability of patents, licences, certificates;

novelty of technical and technological solutions, consumer properties.

2. ANALYSING SALES MARKETS. MARKETING STRATEGY

This section outlines the key points of product sales justification based on analysing markets and developing a marketing strategy.

Market analyses should include:

general characteristics of the markets where the organisation's products are planned to be sold and an assessment of their capacity;

market development dynamics over the last 3-5 years and forecast of market trends;

the main factors influencing changes in markets;

assessment of competitors' capabilities and their products, the degree of their influence on the market;

the organisation's advantages over its competitors.

The grounding for the marketing strategy reflects:

sales strategy (aimed at increasing market share, expanding the existing market, expanding into new markets);

justification of pricing strategy (comparison with competitors' prices, as well as product properties - novelty, quality and others);

estimation of changes in sales volumes in the future;

assessment of product exports, including to the EU, EAEU.

3. PRODUCTION PLAN

The production plan is developed for the implementation of the project.

This section shall consist of the following subsections:

production and sales programme;

logistics.

The production and sales programme is drawn up on the basis of marketing research, forecast prices for products, taking into account the production capacities to be created.

In the subsection "Material and technical support" of the production outlines the prospects for providing the project with the required raw materials, materials, components, spare parts, heat and other resources.

4. INVESTMENT PLAN

Total investment costs are defined as the sum of investments in the project (investments in fixed capital, acquisition of real estate, including acquisition of land plots into private ownership, other fixed assets used by other organisations and construction in progress, intangible assets, internal research and development costs (for R&D projects) and net working capital growth costs.

Investments in fixed assets represent resources required for construction, reconstruction, purchase and installation of equipment and other pre-production activities.

The increase in net working capital corresponds to the additional resources required to operate fixed assets.

Summary data on investment costs and sources of their financing for the project (own, borrowed and attracted funds) are presented, as a rule, in the form of a table. The justification specifies the planned conditions for the use of long-term loans.

5. EVALUATION OF THE MAIN FINANCIAL AND ECONOMIC INDICATORS AND EFFICIENCY OF THE PROJECT IMPLEMENTATION

No. n/a	Name of indicator	TOTAL	Years				
			2021	2022	2023	2024	2025
1	Investments in the project, excluding VAT, USD million, incl:						
1.1.	Investments in fixed capital, USD million, including ¹ :						
1.1.1.	construction work ²						
1.1.2.	equipment ³						
1.1.3.	other ⁴						
1.2.	Acquisition of real estate, land plots ⁵						
1.3.	Other (acquisition of construction in progress, intangible assets) ⁶						
1.4.	Research and development costs (for R&D projects) ⁷						
2.	Number of jobs to be created, persons, incl. ⁸						
2.1.	senior staff						
2.2.	engineering staff						
2.3.	administrative staff						
2.4.	other employees						
2.5.	labourers						
3.	Foreign direct investment on a net basis, USD million ⁹						
4.	Sources of financing, USD million, incl.						
4.1.	organisation's own funds						
4.2.	raised funds						
4.2.1.	including non-residents of the Republic of Belarus						
5.	Volume of industrial production, works (services) of industrial nature, incl.						
5.1.	in value terms, mln USD						
5.2.	in physical terms, unit of measure.						

6.	Electricity consumption, thousand kilowatts per hour						
7.	Value added per average full-time employee, USD thousand ¹⁰						
8.	Return on sales,% ¹¹						
9.	The volume of exports of goods and services, USD million, incl.						
9.1.	to EAEU countries						
9.2.	to EU countries						
9.3.	to the PRC						
9.4.	to elsewhere						
10.	Lease of land plot (L), office premises (O), production premises (P), m ²						
11.	Purchase of land plot (Z), office space (O), production space (P), m ²						
12.	Dynamic payback period of the project, years						
13.	How did you find out about Great Stone Park: online resource, forum, personal contacts with other residents, etc.						

Methodological recommendations for completing the table

¹ **in subclause 1.1 Investments in fixed assets** shall reflect the data on investments in fixed assets in accordance with the direction of reproduction of fixed assets, namely:

- costs of construction, reconstruction, modernisation, restoration of objects that result in an increase in the original cost of the object;

- purchase of machinery (for project implementation), equipment (including reconstruction and modernisation costs), vehicles, tools and inventory (included in construction estimates), as well as tools and inventory accepted for accounting as fixed assets;

- the cost of acquisition of buildings, structures, the cost of all types of machinery and equipment, vehicles, tools and inventory acquired for sale or previously **included** in the fixed assets of other organisations of the Republic of Belarus, as well as used by natural persons (except for imported fixed assets), staff salaries, and vehicles for personal use of employees are **not included in** the volume of investment in fixed assets;

² **in subclause 1.1.1 construction and installation works** shall reflect:

- cost of construction and installation works performed by contractual and economic methods on commissioning facilities and facilities to be constructed in subsequent years;

- the cost of works on mounting and installation of equipment (including commissioning works) carrying functional load in buildings and other construction projects and necessary for their operation,

- cost of works on mounting and installation of systems ensuring the functioning of buildings and other construction objects, including electrical, plumbing systems, water, gas, sewerage systems, heating systems, air ventilation, lifts, thermal, sound and vibration insulation and the like,

- the cost of mounting and installation of fire and security alarm systems, air conditioning systems, and other equipment forming an integral part of buildings and structures in buildings and other construction projects;

³ in subclause 1.1.2 the equipment shall reflect:

- cost of all types of machinery and equipment, vehicles of domestic and imported production, included and not included in construction estimates, requiring and not requiring installation, including machinery and equipment received free of charge (as humanitarian, technical assistance and under barter (barter) operations), non-standardised equipment, tools and inventory included in construction estimates, as well as tools and inventory accepted for accounting as fixed assets. Data on gratuitously received machinery, equipment, vehicles, tools and inventory, technical and humanitarian aid are reflected in the data on investments at historical cost, including actual costs of delivery, installation, mounting and other costs directly related to the gratuitous receipt of fixed assets and bringing them to a condition suitable for use;

- the cost of all types of equipment (technological, power, lifting and transport, pumping and compressor and other equipment, except for equipment ensuring the functioning of buildings and engineering structures) required for the project implementation,

- costs of specialised assembly, installation of this equipment (including commissioning) of industrial machinery and equipment.

Important! The value of all types of machinery and equipment, vehicles, tools and inventory previously included in the fixed assets of other organisations of the Republic of Belarus, as well as used by natural persons (except for imported fixed assets) is not reflected in subclause 1.1.2.

Subclause 1.1.2 includes the cost of fixed assets produced in other countries, irrespective of the importer - a foreign organisation or a Belarusian supplier - from the total cost of all types of machinery and equipment, vehicles, tools and inventory. If imported fixed assets are purchased from Belarusian suppliers, subclause 1.1.2 includes the cost of only those items that were not previously included in the fixed assets of other Belarusian organisations.

Fixed assets (cars, computers, etc.) assembled from parts manufactured abroad are not classified as imported items. The cost of equipment installation work performed in accordance with the established procedure is not reflected in subclause 1.1.2;

⁴ in subclause 1.1.3 Other shall reflect:

- costs of design and survey works (including works for construction of future years),

- costs of construction site preparation, construction management,

- costs for the services of author and technical supervision bodies, state construction supervision bodies,

- other miscellaneous work and indirect costs;

⁵ subclause 1.2 Acquisition of real estate, land plots shall reflect costs associated with the acquisition of real estate (buildings, structures, land plots, etc.);

⁶ in subclause 1.3 Other (acquisition of construction in progress, intangible assets) shall reflect:

- the cost of acquiring other fixed assets previously included in the fixed assets of other Belarusian organisations, used by individuals (except for imported fixed assets), and construction in progress. These costs are recognised without value added tax;

- contributions to the charter fund of an organisation made in the form of used fixed assets of another legal entity of the Republic of Belarus;

- actual costs of acquisition and creation of intangible assets (debit turnover on accounting account 04 "Intangible assets");

⁷ subclause 1.4 Expenditures on research and development shall reflect the data on internal expenditures (organisation's expenditures) on research and development:

- current costs of research and development (labour costs, social contributions, costs of special equipment, other material costs, other costs (interest payments, costs of maintenance and operation of buildings (premises), costs of communication services, payments for compulsory and voluntary property insurance, utility payments, travel expenses,

rental costs for fixed assets, payments to the budget and extra-budgetary funds, costs associated with the preparation of scientific research and development)

- capital expenditures (expenditures on acquisition of land plots, construction or purchase of buildings, acquisition of equipment included in fixed assets, other capital expenditures (expenditures on acquisition of intellectual property, as well as other capital expenditures related to research and development, which are recognised as investments in non-current assets)

Costs do not include the amount of depreciation charges for full restoration of fixed and intangible assets.

For reference:

Scientific research is understood as a creative activity aimed at obtaining new knowledge and ways to apply it.

Development means activities aimed at creating or improving ways and means of carrying out processes in a specific area of practical activity, in particular, the creation of new products and technologies. Development of new products and technologies includes experimental design (when creating products) and experimental and technological (when creating materials, substances, technologies) works;

⁸ ***in clause 2 Number of jobs to be created*** - in the column "Total" - the number after reaching the design capacity is indicated;

⁹ ***in clause 3 Foreign direct investments on a net basis*** shall reflect investments made by direct investors whose share is at least 10 per cent of shares and (or) units in the organisation's authorised fund;

¹⁰ ***in clause 7 Value added per average employee*** reflects that part of the value of the product that is created in the organisation. It is calculated as the difference between the value of goods and services produced by the company (i.e. sales revenue) and the value of goods and services purchased by the company from external organisations per employee;

¹¹ ***in clause 8 Return on sales*** is calculated as *Gross profit / Revenue*.

This section may also reflect socio-economic indicators of project efficiency (project impact on the development of the territory, involvement of other organisations in the course of product sales, meeting consumer demand for the products produced, import-substituting nature of production, etc.).

6. PROJECT IMPLEMENTATION SCHEDULE

No. n/a	Activities	Years of project implementation															
		1 year (20__)				Year 2 (20__)				Year 3 (20__)				_ year (20__)			
		I qr	II qr	III qr	IV qr	I qr.	II qr	III qr	IV qr	I qr.	II qr	III qr	IV qr	I qr.	II qr	III qr	IV qr
1.	Approval of the location of the land plot for the construction of the facility / in case of leasing premises - approval of the location for the construction (creation) of the facility																
2.	Provision of land plot / in case of premises lease - item not to be filled in																
3.	Development of project documentation, taking into account coordination and obtaining conclusions of state expert examinations (if necessary)																
4.	Construction and installation works*, incl.																
4.1.	Mounting of equipment																
4.2.	Equipment adjustment																
5.	Obtaining the necessary certificates*																
6.	Commissioning*																
7.	Start of production*																

*if there are queues (stages) - specify the splitting”;

APPENDIX 3

Contract on terms and conditions of operation in the Great Stone Chinese-Belarusian Industrial Park

«___» _____ 20__

State institution “Administration of the Chinese-Belarusian Industrial Park «Great Stone»,
hereinafter referred to as “Administration”, represented by the Head of Administration _____

_____,
(surname, first name, patronymic of the authorised person)

acting on the basis of the Charter, on the one hand, and _____

_____,
(name of legal entity)

hereinafter referred to as “Resident”, represented by _____

_____,
(position, surname, first name, patronymic of the authorised person)

acting on the basis of _____

(name and details of the authorisation document)

on the other hand, together referred to as the “Parties” and each individually a “Party” have
agreed as follows:

1. Subject of the Contract

1.1. The present Contract defines the terms and conditions of the Resident’s activity on the
territory of the Chinese-Belarusian industrial park «Great Stone» (hereinafter referred to as the Park)
with a special legal regime of a special economic zone.

1.2 The Parties agreed that the resident’s investment and business activities on the Park territory
will be based on the principles of production efficiency and environmental safety, voluntariness, mutual
benefit and equality of the Parties and will contribute to the integrated development of the Park.

2. Rights and obligations of the Parties

2.1 The Resident undertakes to:

2.1.1. to ensure implementation of the investment project “_____”
_____” on the Park territory during _____.

(hereinafter referred to as the Project) on the following terms and conditions based on the materials
upon which the Resident has become eligible for registration as a resident of the Park;

- 2.1.2. to ensure during _____ the volume of investments³ in the implementation of the Project in the amount equivalent to not less than _____ (_____) thousand US dollars,
including:
Stage 1 -.
Implementation period - _____
Volume of investments - _____ (_____) thousand USD;
Stage 2 -.
Implementation period - _____
Volume of investments - _____ (_____) thousand USD;
- 2.1.3. in accordance with the legislation of the Republic of Belarus to ensure the location and implementation of the Project on the territory of the Park;
- 2.1.4. to start construction of the facility (reconstruction, modernisation of the facility, etc., including on the leased premises) in accordance with the Project in _____ and to put the facility into operation in accordance with the established procedure not later than _____;
- 2.1.5. to start production (works, services) according to the Project in _____;
- 2.1.6. to carry out investment and entrepreneurial activities on the Park territory in accordance with the legislation of the Republic of Belarus, including the legislation on environmental protection and rational use of natural resources, as well as the Project and the present Agreement, to obtain necessary permits and licences;
- 2.1.7. ensure compliance of production with the requirements and norms of environmental, industrial and other safety in force in the Republic of Belarus;
- 2.1.8. to pay taxes and fees (duties) and other payments due in accordance with the legislation of the Republic of Belarus in due time and in full;
- 2.1.9. to carry out accounting and reporting in accordance with the legislation of the Republic of Belarus;
- 2.1.10. allow, subject to prior agreement with the Resident on the date and time of the visit:

³ For the purposes of this Agreement, investments in the Project shall mean investments in fixed capital, acquisition of real estate, including acquisition of land plots into private ownership, other fixed assets used by other organisations and construction in progress, intangible assets, internal research and development costs (for R&D projects).

Inclusion in investments of costs used to create intangible assets during R&D is possible in the amount directly used in the performance (related to the performance) of R&D, if the conditions stipulated by the Instruction on Accounting for Intangible Assets approved by Resolution of the Ministry of Finance of the Republic of Belarus No. 25 dated 30 April 2012 are met, including the following conditions:

the organisation has determined the possibility of using the intangible asset being created in its activities, its sale or transfer under licence (copyright) agreements;

the costs of creating the intangible asset and bringing it into a usable condition are documented.

At the stage of implementation of the investment project in the field of R&D, the current expenses of the organisation for performance of research and development by its own forces are attributed to the internal expenses for research and development (according to the Resolution of the National Statistical Committee of the Republic of Belarus of 11 September 2017 No. 118 "On Approval of the State Statistical Reporting Form 4-SEZ "Report on the Activity of a Resident of a Free (Special) Economic Zone" and Instructions for its Filling) and are accounted as investments for the purposes of implementation of the investment project in the field of R&D.

representatives of the Administration to all of the Resident's facilities under the Project for the purpose of verifying fulfilment of obligations under this Agreement;

representatives of the Administration and other interested parties (on the basis of the Administration's requests) to the publicly accessible sites of the Resident's facility in order to present the investment potential of the Park;

2.1.11. to comply with the requirements of technical normative legal acts when operating real estate, other structures, and to use land plots in accordance with their intended purpose;

2.1.12. provide to the Administration:

copies of state statistical reports not later than 5 working days from the date of sending such reports to authorised state bodies;

copies of tax declarations (calculations) on taxes, levies (duties), the payer of which is the Resident, not later than 5 working days from the date of receipt of the relevant request of the Administration;

report on activities in the form determined by the Administration, annually by 1 February of the year following the reporting year;

other information necessary for control over the fulfilment of this Agreement and planning of the Park development;

2.1.13. in case of deprivation or loss of the Park resident status the Resident is obliged to return the Park resident certificate (its duplicate) to the Administration within 5 working days from the date of deprivation or loss of the Park resident status;

2.1.14. to provide financing of the Project until its full completion in the amounts and within the timeframe set forth in this Agreement.

2.2 The Administration, within the competence established by law, undertakes to provide the Resident with the necessary conditions for carrying out business activities.

2.3 The resident has the right to engage in business activities outside the Park in compliance with the general rules established by the legislation. Such activities are not subject to the special legal regime of the Park.

The Resident may engage in certain types of activities, the list of which is established by legislative acts, only on the basis of special permits (licences).

2.4 The Administration has the right to use information about the Resident and his/her Project, except for confidential information, for the purpose of presenting the investment potential of the Park.

3. Responsibilities of the Parties

3.1 The Parties shall be liable for non-fulfilment or improper fulfilment of obligations under this Agreement in accordance with the legislation.

If the Resident fails to fulfil or improperly fulfils its obligations under this Agreement, the Resident shall reimburse the amount of benefits granted to it in accordance with the law. If the Resident fails to fulfil or improperly fulfils its obligations under this Agreement, the costs incurred by the Resident in the implementation of the Project shall not be reimbursed.

3.2 The Parties to this Agreement shall not be liable for the obligations of the other Party to third parties.

3.3 Failure to fulfil or improper fulfilment of the present Agreement by the Resident is a ground for depriving him/her of the Park resident status. The Resident has the right to appeal against the Administration's decision on deprivation of the resident status.

3.4 The transfer by the Resident of rights and obligations under the agreement on the conditions of activity in the Park to another legal entity or individual entrepreneur is not allowed, except for the cases of legal succession in the order and on the terms stipulated by paragraph 13 of the Regulations on the procedure of registration of legal entities as residents of the Chinese-Belarusian Industrial Park «Great Stone», approved by the order of the Administration dated 15 February 2018 No. 21.

4. Circumstances precluding liability

4.1 The Parties shall be precluded from liability for partial or full non-fulfilment of obligations under this Agreement, if such non-fulfilment was caused by force majeure circumstances, which arose after conclusion of this Agreement as a result of force majeure circumstances, which are not the result of dangerous activity of the Parties and which the Parties could neither foresee nor prevent by reasonable measures, which the Parties cannot influence and for the occurrence of which they are not responsible.

4.2 The Party for which it is impossible to fulfil its obligations under this Agreement due to force majeure circumstances shall notify the other Party of the occurrence of such circumstances in writing not later than 10 working days from the moment of their occurrence. The facts stated in the notice shall be confirmed by the conclusion on the presence of force majeure circumstances issued by the Belarusian Chamber of Commerce and Industry. Upon termination of the said circumstances, the Party shall without delay notify the other Party thereof and specify the term of fulfilment of obligations.

4.3 In case of force majeure circumstances, the term for fulfilment of obligations under this Agreement may be postponed commensurately with the time during which such circumstances or their consequences are in force.

4.4 Failure to notify or untimely notification of the occurrence of force majeure circumstances deprives the Party of the right to refer to them as a basis for exemption from liability for non-fulfilment or improper fulfilment of obligations under this Agreement.

4.5 This Agreement shall be suspended for the period of force majeure. Upon termination of such circumstances the obligations under this Contract shall be fulfilled in full.

5. Dispute resolution procedure

5.1 All disputes and disagreements between the Parties, which may arise under this Agreement, if they are not resolved through negotiations, shall be considered in accordance with the legislation.

6. Confidentiality

6.1 The Parties undertake to keep confidential the information and data of technical, economic and commercial nature submitted by each of the Parties in connection with fulfilment of this Agreement, not to open and not to disclose it to any third Party without prior written consent of the other Party. These confidentiality obligations will not apply to publicly available information.

6.2 Responsibility for disclosure of confidential information, including commercial secrets of the Parties, is determined by the legislation of the Republic of Belarus.

7. Term of validity of the Contract

This contract shall come into force as of “___” ___ 20__ and shall be in force until ___
20__.

(the contractual deadline date is 14 June 2062)

8. Procedure for amendment and termination of the Contract

8.1 The Contract may be amended or terminated by agreement of the Parties.

8.2 The Contract shall be terminated:

in case of deprivation (loss) of the Park resident status;

in other cases stipulated by the legislation of the Republic of Belarus.

8.3 Unilateral cancellation of this Agreement shall not be allowed.

9. Final provisions

9.1 To recalculate the amounts specified in this Agreement in foreign currency equivalent, the official exchange rate of the Belarusian ruble set by the National Bank of the Republic of Belarus on the day of payment (fulfilment of the obligation) shall be used.

9.2 Amendments and additions to this Agreement, except for changes in the location and (or) details of the Parties, shall be made in writing in the form of additional agreements signed by the authorised representatives of the Parties, which are an integral part of this Agreement.

9.3 In case of change of location, details, appointment (change) of the head (other person authorised in accordance with the constituent documents to act on behalf of the organisation) of one of the Parties, such Party shall notify the other Party in writing within 10 calendar days from the date of occurrence of the relevant circumstances (in terms of appointment (change) of the head - in the form established by the Ministry of Justice of the Republic of Belarus).

9.4 In cases not stipulated by this Agreement, the Parties shall be guided by the legislation of the Republic of Belarus.

9.5 This Agreement is drawn up in two copies, one for each Party.

9.6 In case this Contract is drawn up in several languages, the text drawn up in Russian shall have priority in the execution and interpretation of the Contract.

10. Location, details and signatures of the Parties

Administration

222210, Minsk region, Smolevichi district,
Chinese-Belarusian Industrial Park «Great
Stone», 18 Pekinsky Ave.

p/c BY63AKBB36041649800156000000 in
Minsk Regional Department No. 500 of JSC
«JSSB Belarusbank», code AKBBBY2X,
Minsk, 69-1 Dzerzhinskogo Ave.

OKPO 301580366000

UNP 690832662

Head of Administration

(signature)

(initials, surname)

MP

Resident

222210, Minsk region, Smolevichi district,
Chinese-Belarusian Industrial Park
«Great Stone»

(position of the authorised person)

(signature)

(initials, surname)

MP

This contract shall be numbered,
laced and stamped
on ____ (____) sheets.

Head of Administration

(signature)

(initials, surname)

(position of an authorised person of the Resident)

(signature)

(initials, surname)

APPENDIX 4

LIST OF FOREIGN COUNTRIES

1. The Commonwealth of Australia.
2. Republic of Austria.
3. United States of America.
4. Canada.
5. Swiss Confederation.
6. Japan.
7. United Kingdom of Great Britain and Northern Ireland.
8. Federal Republic of Germany.
9. Kingdom of Denmark.
10. Kingdom of the Netherlands.
11. Kingdom of Sweden.
12. Kingdom of Spain.
13. Portuguese Republic.
14. People's Republic of China.
15. Republic of Korea.
16. French Republic.
17. Italian Republic.
18. Republic of India.
19. Democratic Socialist Republic of Sri Lanka.
20. Republic of Cuba.

APPENDIX 5

Форма

OPINION

on the designation of imported (have been imported) technological equipment, components and spare parts thereof for exclusive use in the territory of the Republic of Belarus for the purpose of implementation of the investment project on construction and (or) equipping of the facility of the Chinese-Belarusian Industrial Park «Great Stone»

1. The present report, issued by

(full name,

the applicant's payer reference number)

is confirmed that the goods according to the Annex imported (have been imported) into the territory of the Republic of Belarus

(full name,

account number of the payer of the person who performs (has performed)

importation of goods)

in accordance with

(details of foreign economic contract)

are

(specify necessary: technological equipment, components, spare parts)

and are intended for exclusive use in the territory of the Republic of Belarus for the purpose of realisation of an investment project on construction and/or equipping of an object Chinese-Belarusian Industrial Park «Great Stone»

(name of the investment project,

including its stages (if any)

Name of the facility of the Chinese-Belarusian Industrial Park «Great Stone», construction and equipment of which is envisaged in the investment project, for which technological equipment, components and spare parts are imported (have been imported),

Investment project implementation completion date

2. This opinion is issued for the purpose of applying the exemption from the

(виды таможенных платежей)

in accordance with

(name, date of adoption (edition) and registration number of the legislative act of the Republic of Belarus under which exemption from import customs duties and/or value added tax is granted)

3. Technological equipment, components and spare parts for it, specified in the annexed to the present opinion, _____

*(meet the conditions established by international legal acts that constitute the regulatory legal framework of the Customs Union and the Single Economic Space, international treaties and/or acts that constitute the law of the Eurasian Economic Union)**

Appendix: on _____p. in 1 copy.

(name of post)

(signature)

(initials, surname)

M.P.

Form

OPINION

on the designation of imported (have been imported) raw materials for exclusive use in the territory of the Republic of Belarus for the purpose of implementation of the investment project on construction and (or) equipping the facility of the Chinese-Belarusian Industrial Park «Great Stone»

1. The present report, issued by

(full name,

the applicant's payer reference number)

it is confirmed that raw materials and materials according to the Annex, imported (have been imported) on the territory of the Republic of Belarus

(full name,

account number of the payer of the person who imports the goods)

in accordance with

(details of foreign economic contract)

are intended for exclusive use on the territory of the Republic of Belarus for the purpose of implementation of an investment project for construction and/or equipping of the facility Chinese-Belarusian Industrial Park «Great Stone»

(name of the investment project,

including its stages (if any)

Name of the facility of the Chinese-Belarusian Industrial Park «Great Stone», construction and equipment of which are envisaged in the investment project, for which raw materials and supplies are imported,

Investment project implementation completion date

2. This opinion is issued for the purpose of applying the exemption from the

(types of customs duties)

in accordance with

(name, date of adoption (publication) and registration number)

the legislative act of the Republic of Belarus under which the following is made

exemption from import customs duties and (or) value added tax)

3. Raw materials and materials specified in the annex to this report,

(comply with the conditions established by international legal acts constituting the regulatory legal framework of the Customs Union

and the Common Economic Space, international treaties and (or) acts constituting the law of the Eurasian Economic Union)

(specify the necessary: not produced in the member states of the Eurasian Economic Union)

of the Union or are produced in insufficient quantity for the investment project realisation

the quantities, or the raw materials and inputs produced in the Member States do not comply with the

*technical characteristics of the investment project being implemented)**

Appendix: on _____ p. in 1 copy.

(name of post)

(signature)

(initials, surname)

M.P.

* To be filled in for the purposes of application of exemption from import customs duties in accordance with international legal acts constituting the regulatory legal framework of the Customs Union and the Common Economic Space, international treaties and (or) acts constituting the law of the Eurasian Economic Union, in particular in accordance with subclause 7.1.11 of clause 7 of the Decision of the Customs Union Commission of 27 November 2009 № 130.

Form

APPLICATION

on issuing an opinion on the designation of imported (imported) goods (technological equipment, components and spare parts thereof, raw materials and supplies) for exclusive use in the territory of the Republic of Belarus for the purpose of implementation of the investment project on construction and (or) equipping of the facility of the Chinese-Belarusian Industrial Park «Great Stone»

Please issue an opinion on the purpose of the imported (have been imported) _____

(specify the goods (technological equipment, components

and spare parts for it, raw materials and supplies) for exclusive use in the territory of the Republic of Belarus for the purpose of implementation of the investment project on construction and (or) equipping of the facility of the Chinese-Belarusian Industrial Park «Great Stone»)

Name of the facility of the Chinese-Belarusian Industrial Park «Great Stone», construction and (or) equipment of which is envisaged in the investment project, for which goods (technological equipment, components and spare parts for it, raw materials and supplies) are imported (have been imported) *

Full name and registration number of the applicant's payer

Details of the foreign trade contract _____

Name of the investment project, including its stages (if any) _____

Investment project implementation completion date _____

We hereby affirm: _____

(specify one or more of the following conditions: no production,

insufficient production of imported goods (technological equipment, components and spare parts for it, raw materials and materials) in the territory of the member states of the Eurasian Economic Union for the implementation of the investment project; non-compliance of goods (technological equipment, components and spare parts for it, raw materials and materials) produced in the territory of the member states of the Eurasian Economic Union with the technical characteristics of the investment project being implemented and (or) the impossibility of their procurement; and (or) the inability of the investment project to meet the technical specifications of the investment project.

Appendix: on _____ p. in 1 copy.

(name of post)

(signature)

(initials, surname)

M.P.

* When importing raw materials and supplies to equip an industrial park facility put into operation, the name of the facility put into operation shall be indicated.

80+

lawyers

REVERA is international law group of companies

25+

years on the market

Experience in the legal market of Belarus

10+

offices

Belarus, Poland, Georgia, Kazakhstan, Cyprus, UAE, Armenia, Uzbekistan, Kyrgyzstan, Serbia, Montenegro

15

direction

We work in 15 directions and 8 industries, having expertise in various areas of law and business

CHAMBERS
AND PARTNERS

THE
LEGAL
500

IFLR1000

If you have any questions related to the Great Stone, you can contact:



Alexander Antonov
Associate Partner of REVERA

a.antonau@revera.legal
+375 (29) 512-42-70



Sergey SUSCHENYA
Head of industry projects

s.sushchenua@revera.legal
+375 (29) 377-69-38